

The EU's Trade and Development Policy as an Aspect of Inter-Regional Relations with ASEAN: A Case of Well-being

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By

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ABSTRACT

What is the purpose of life? What can fulfill our lives? Is it happiness coupled with living in a so-called utopian society? Questions like these may sound familiar and thus may provide opportunity for discussion to any individual, community, organization, society, country, and region as well as dialogue at global level. Interestingly, happiness is not a new science as such. Aristotle, an infamous Greek philosopher and one of the most respected thinkers, evidently studied 'Eudaimonia' or 'happiness', in fact it is better to express under the term 'well-being' since it provides meanings carrying more holistic perspectives. This means that human being has questioned the true purpose of life, existence of happiness and well-being for more than two thousand years.

The impact of such concept has transcended to the present time and interestingly to regional groupings as well. Key players at global level and regional level such as the European Union (EU) and the Association of Southeast Asian Nations (ASEAN) mention 'well-being' in their collective purposes. According to Article 3 of the EU's Treaty of Lisbon, "*the Union's aim is to promote peace, its values and the well-being of its peoples.*" With regard to ASEAN, the region also aims to promote well-being for ASEAN citizens and community. In accordance with Article 1 of ASEAN Charter, ASEAN aims "*to enhance the well-being and livelihood of the peoples of ASEAN by providing them with equitable access to opportunities for human development, social welfare and justice.*"

Based on the concept of Eudaimonia and these principles enacted in the Treaty of Lisbon and ASEAN Charter, one can see that well-being is regarded to be one of the aims set by both regional groupings. However, how each region manages to deliver the well-being to its citizens depends on policy, mechanisms, social relations, culture, tradition, expertise and appropriateness in line with their context of implementation.

For this thesis, it is considered that trade and development policy is most effective and efficient tool to strengthen and weld the relations between the EU and ASEAN. As pieces of evidence shown, both regional blocs have long been harnessing relations at many levels, i.e. individual, organization, leader, academic community, people to people, among others.

As a result, to better understand the inter-regional relations between the EU and ASEAN under the well-being concept and practice in accordance with the Treaty of Lisbon and ASEAN Charter is academically and practically challenging. The effect of study can create an innovative body of knowledge and understanding; moreover it helps pave the way towards a more sustainable collaboration in a foreseeable future although ASEAN is still struggling with political, economic and social progress, in particular development gaps among ASEAN Member States. It is worth mentioning that studying only economic perspective between the two regions is incomplete and insufficient.

For closer relations, investigating inter-regional relations under trade and development policy by both trade initiatives/activities and development projects/programmes is rationally reciprocal.

The thesis conducted under this title is therefore the effort to point out the key purpose of regional architecture, which is aimed at bringing about sustainable prosperity and well-being for the people rather than relying solely on economic growth. All the evidence under research conduct and findings arise from various co-operations at two levels, which are micro-level co-operation and macro-level co-operation. Moreover, it is worth noting that three key factors of well-being which can potentially create sustainable development and progress for the two regional groupings are education, employment and health, in particular for ASEAN citizens.

Aside from that, this thesis offers recommendations, policy options and Wellbeing-based Decision Making conceptual model for individual, national, regional and global change agents who are interested in making a big impact on a global community.

LIST OF ACRONYMS

ACFTA	ASEAN-China Free trade Area
ADB	Asian Development Bank
AEC	ASEAN Economic Community
AMS	ASEAN Member States
ASEAN	Association of Southeast Asian Nations
AusAID	Australian Agency for International Development
CDC	Center for Disease Control and Prevention
CDI	Commitment to Development Index
CIETT	International Confederation of Private Employment Agencies
CLMV	Cambodia, Laos, Myanmar and Vietnam
DCI	Development Cooperation Instrument
DG-DEVCO	Directorate-General for International Cooperation and Development
EDCi	European Digital City Index
EDF	European Development Fund
EPI	Environmental Policy Integration
ERDF	European Regional Development Fund
ESDE	Employment and Social Developments in Europe
ESF	European Social Fund
ESSP	Education Sector Support Programme

EU	European Union
EU SHARE	EU Support to Higher Education in ASEAN Region
ETUC	European Trade Union Confederation
FDI	Foreign Direct Investment
FTA	Free Trade Agreement
GDP	Gross Domestic Product
GEN	Global Entrepreneurship Network
GHSA	Global Health Security Agenda
GNH	Gross National Happiness
GSNs	Global Solution Networks
GSP	Generalized System of Preference
GVCs	Global Value Chains
HFSP	Human Frontier Science Programme
IAI	Initiative for ASEAN Integration
ICTs	Information and communication technologies
JCC	Joint Cooperation Committee
ILO	International Labor Organization
IUU	Illegal, Unreported and Unregulated Fishing
LDCs	Least Developed Countries
MDGs	Millennium Development Goals
MFF	Multiannual Financial Framework

MPI	Multidimensional Poverty Index
MSMEs	Micro, Small and Medium Enterprises
NEF	New Economics Foundation
NESDB	National Economic and Social Development Board of Thailand
NHS	National Health System
NRI	Networked Readiness Index
ODA	Official Development Assistance
OECD	Organization for Economic Cooperation and Development
RCEP	Regional Comprehensive Economic Partnership
RVCs	Regional Value Chains
SDGs	Sustainable Development Goals
SMEs	Small and Medium Enterprises
SEP	Sufficiency Economy Philosophy or Philosophy of Sufficiency Economy
SPI	Social Progress Index
STI	Science, Technology and Innovation
TFEU	Treaty on the Functioning of the European Union
TNCs	Trans National Corporations
TPP	Trans-Pacific Partnership
TREATI	Trans Regional EU-ASEAN Trade Initiative
TTIP	Transatlantic Trade and Investment Partnership
UNCTAD	United Nations Conference on Trade and Development

UNESCO	United Nations Educational, Scientific and Cultural Organization
WEF	World Economic Forum
WHO	World Health Organization
WTO	World Trade Organization

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CHAPTER I

INTRODUCTION AND BACKGROUND

1.1 Introduction: Significance and background relations between the EU and ASEAN

The European Union (EU) and ASEAN agreed to build partnership as dialogue partner in 1977 and this was formally institutionalized following the signing of the ASEAN-EEC Cooperation Agreement on 7 March 1980.¹ Another significant step of the EU-ASEAN relations started at the 11th Foreign Ministers Meeting (AEMM) in 1994 in Karlsruhe, Germany. This meeting reaffirmed their commitment to an open multi-lateral trading system in order to sustain world economic growth. Both parties also recognized the General Agreement on Tariff and Trade (GATT) concerning the Uruguay negotiations and the establishment of the World Trade Organization (WTO) as a significant step forward for ASEAN trade relations. Consequently, the Ministers have agreed to continue to improve market access in both regions in order to maintain growth in bilateral trade and investment.²

In April 2005, EU Trade Commissioner, Peter Mandelson, and ASEAN Economic Ministers set up a 'Vision Group' composed of senior economic officials. The main objective was to investigate the feasibility of new initiatives, including an FTA, to improve economic ties. The EU-ASEAN Vision Group has played a critical role in building mutual confidence and understanding at an early stage, essential precursors for the success of future negotiations.³

¹ Overview ASEAN-European Union Dialogue Relations. Retrieved from <<https://asean.org/storage/2019/09/Overview-of-ASEAN-EU-Relations-as-of-August-2019.pdf>>. Accessed on 2 October 2019.

² European Union/ASEAN Relations. Retrieved from <https://europa.eu/rapid/press-release_IP-96-580_en.htm>. Accessed on 2 May 2018.

³ Peter Mandelson. Tilting the global balance: Asia's new trade growth. Retrieved from <https://europa.eu/rapid/press-release_SPEECH-05-263_en.htm> Accessed on 6 May 2017.

Considering the trans-regional trade deal and economic cooperation, both the EU and ASEAN have mutually been major trading partners. In 2006, EU-ASEAN trade represented 5 percent of the total world trade. On average, ASEAN's exports around 13 percent of its goods to the EU. ASEAN, as a regional grouping, also represents the EU's fifth largest major trading partner, amounting to 127 billion euro. ASEAN's trade with the EU has been growing steadily, with an average annual growth rate of 4 percent. The EU's main exports to ASEAN in 2006 were chemical products, machinery and transport equipment. The main imports from ASEAN to the EU markets were machinery and transport equipment as well as chemicals, textiles and clothing.

Interestingly, the EU and ASEAN set up an initiative called the Trans-Regional EU-ASEAN Trade Initiative (TREATI). This is a framework for dialogue and regulatory co-operation developed to enhance EU trade relations with ASEAN. The EU considered concluding an FTA with ASEAN as a whole. However, problems arising due to the varying development levels and differing interests of ASEAN's members led to the suspension of the talks in 2008. The EU, therefore, expressed interest in bilateral agreements with certain countries in ASEAN, including Thailand.⁴

With regard to the proliferation of intra- and international trade between ASEAN and partners in the region, there are both free trade agreements (FTAs) and economic partnership agreements (EPAs). The so-called 'bandwagon effects' help persuade Australia, India and New Zealand to join such trade either in the form of FTA or EPA. To illustrate, Australia signed FTAs with Singapore and Thailand. For India and ASEAN, both parties closed the deal on bilateral agreements concluded in 2008 and signed in 2009 after long tough talks as far back as 2003. New Zealand and Thailand signed an agreement on Closer Economic Partnership in April 2005 which took effect on 1 July 2005.⁵

⁴ Petchanet Pratuangkrai. Free trade talks with EU likely this year. Retrieved from

<<http://www.bilaterals.org/spip.php?article16903>>. Accessed on 8 March 2015.

⁵ Regional Comprehensive Economic Partnership (RCEP). Retrieved from <https://asean.org/?static_post=rcep-regional-comprehensive-economic-partnership>. Accessed on 7 June 2015.

Moreover, China and New Zealand signed a comprehensive bilateral free trade agreement in April 2008. However, New Zealanders are concerned with issues like weak food safety and environmental standards, labor conditions and lack of rights for Chinese workers, an issue which the FTA does not address and China's broader human rights records, among others.⁶

In addition, China, South Korea and Japan have been investing and trading with ASEAN in many areas such as foreign direct investment, goods and service, among others.

The above mentioned area of cooperation in terms of trade has shown the powerful engine of trade liberalization within ASEAN in relation to trade partners around the world.

According to a feasibility study, which was presented during the ASEAN+6 economic ministers' meeting in Bangkok (in August 2009), the establishment of a free trade area within the member countries would result in 1.3 percent increase in their GDP. Regarding ASEAN alone, the increase of GDP could be as high as 3.83 percent. One aspect that cannot be ignored is that the East Asia's economies accounted for 26 percent of the world's GDP, and 49.6 percent of the world's population. Also, the population in this region is seven times larger than the populations of the EU and North American Free Trade Agreement (NAFTA). Therefore it is just a question of time before a full closer economic integration of ASEAN+6 will be in effect.⁷

The ASEAN Economic Ministers (AEM) and its six major trading partners look forward to creating the world's largest economic bloc through the 'East Asia Free Trade Agreement' (EAFTA) and 'Comprehensive Economic Partnership in East Asia' (CEPEA) within 15 years. As a result, this CEPEA will form the largest economic region with three billion people.

ASEAN has been taking a step-by-step approach to opening trade with those major partners. Thus far, it has completed the priority task of free trade agreements, which is called ASEAN+1, namely ASEAN-Japan, ASEAN-China, ASEAN-South Korea, ASEAN-Australia, ASEAN-New Zealand, and ASEAN-India.

⁶ New Zealand-China. Retrieved from <https://www.bilaterals.org/?-New-Zealand-China-> > Accessed on 18 October 2015.

⁷ Xinhua. Free Trade to lift ASEAN+6 GDP by 1.3 percent. Retrieved from http://www.chinadaily.com.cn/world/2009-08/15/content_8575043.htm>. Accessed on 9 February 2014.

The second priority is to move toward ASEAN's goal of twinning together with an ASEAN Economic Community by 2015. After that ASEAN would be able to cement economic cooperation with China, South Korea and Japan before moving toward becoming the largest world's free trade area through CEPEA. New Zealand Trade Minister Tim Groser told the joint press conference at the recent AEM meeting held in Bangkok that the meeting had provided very constructive dialogue and "all members should work toward the goal. We're now moving forward in the right direction." ⁸

However, this PhD research reserves to use the term of relations between the EU and ASEAN rather than ASEAN+6, EAFTA and CEPEA.

Although trade between the EU and ASEAN was in a declining position, after China, Japan and United States, as of 2016, the total trade for both imports and exports still reached 227,582.9 million US dollars.⁹

As of 2018, the EU remains an important trading partner of ASEAN. According to ASEAN statistics, the EU has retained its position as ASEAN's second largest trading partner with a total two-way trade reached 282 billion US dollars and the largest source of foreign direct investment (FDI) among dialogue partners with a total inflow amounting to 22 billion US dollars.¹⁰

1.2 Theoretical and Empirical Contribution

⁸ Achara Pongvutitham and Petchanet Pratrungkrai (The Nation newspaper). Asean+6 to create world's biggest economic bloc. Retrieved from <http://www.nationmultimedia.com/2009/08/17/business/business_30109929.php>. Accessed on 2 December 2015.

⁹ Top ten ASEAN trade partner countries/regions, 2015.

Retrieved from <http://asean.org/storage/2016/06/table20_as-of-30-Aug-2016-2.pdf>. Accessed on 4 January 2016.

¹⁰ Overview ASEAN-European Union Dialogue Relations. Retrieved from <<https://asean.org/storage/2019/09/Overview-of-ASEAN-EU-Relations-as-of-August-2019.pdf>>. Accessed on 2 October 2019.

It is well recognized that the EU acts as a global player and is responsible for shaping an inter-regional policy towards ASEAN and vice versa. Therefore, it is academically challenging to conduct such research issue in the context of Inter-regional relations, trade and development policy in connection with well-being.

The EU is considered one of the world's leading economies and a global actor in promoting trade and development policy in addition to collaborations in different aspects with partners across the world. Not only can inter-regional relations bring about mutual interests but it also creates opportunities for cooperation. Hence, both intra-regional and inter-regional relations reflect the importance of the study of IR and European Studies.

Key issues such as Sustainable Development Goals (SDGs) and well-being have gained attention both in the realm of academic community and policymakers. Therefore, conducting research in the area of well-being in relation to inter-regional relations can help increase the understanding the depth and breadth of the issue in question and how this issue relates to the EU and ASEAN in connection with the global community. The EU and ASEAN, as regional blocs, have been interacting and collaborating with each other for at least four decades. In this PhD thesis, Trade and Development policy of the EU is considered a key instrument and crucial factors when pursuing the EU norms with ASEAN.

Well-being in this research is arguably divided into three key components, which are education, employment and health. Scope of the research will be focused on Lisbon Treaty since its inception and its relevance to the EU Trade and Development Policy with ASEAN and ASEAN Charter up to present. This research is structured and planned to use two theories and three approaches, namely 'Normative Power Europe', 'Game theory', 'Development Policy of the European Union', 'The World after GDP' and 'A well-being manifesto for a flourishing society' to analyze and explain the interaction between the two mentioned regional groupings through key components as mentioned for the sustainability of well-being.

The evidence researched indicates that mutual efforts of both regional groupings have politically and economically been significant in terms of pursuing the EU norms and maintaining long-term relations. Key factors addressed are health, education and employment. Joint projects/programmes between both regional groupings demonstrate how important these factors are. As a result, inter-regional relations

through well-being can contribute to Trade and Development Policy. In addition, this thesis has contributed to the study of IR and Inter-regional Relations with a greater scope rather than that of traditional sense where a focus is placed on security, diplomacy, law, cooperation, trade, development, technology, innovation and other areas. Furthermore, this thesis seeks to offer a new approach to help analyze policy related to well-being, which is entitled 'Wellbeing-based decision making' as an additional analytical tool.

1.3 Background of how well-being has multi-dimensionally been studied

After reviewing a certain number of books and related documents, the researcher found that this research issue has been addressed in different contexts but has yet to be explored within the context of Inter-regional relations between the EU and ASEAN. Therefore, there is a vital need to conduct further research here.

The concept of well-being in the EU and its member states is more likely to be focused on employment and GDP as it has created more impact on policy formulation. However, alternative well-being indicators like material welfare, education, health, productive activity and social participation still at play.

Interestingly, as indicated in the paper entitled 'GDP is not a good index for wider regional well-being'; however the GDP and unemployment are still traditionally used in the EU to measure and assess regional disparities. The argument exists between the measurement at 'individual level' versus 'broader dimension: society'. It also argues that whilst the EU's move towards closer and greater economic integration, there are also economic problems in which they need to be addressed.

In the overall sense, regional economic disparities lead to higher unemployment than it would occur if there are less regional disparities. Consequently, the general target of the EU according to the EU 2020 Strategy is to overcome poverty and social exclusion.¹¹

As a result, by using the key different dimensions of well-being, i.e. health, productivity activity, educational attainment and social participation can help member states in the EU reach prosperity more sustainably rather than using only GDP and unemployment index alone.¹² There is a need to further study the correlation between GDP, unemployment, different factors and regional disparities in relation to well-being. As of now, the EU has 28 member countries in the bloc, there are still enormous challenges to collect and analyze data.

There are extensive indicators describing sustainable development in different organizations, in particular at the EU level. There are many different approaches to measure and evaluate the notion of well-being and sustainable development. Furthermore, the aim is to be able to identify and set a more holistic measurement of key indicators concerning nations' economic, social and environmental progress. Thus, key information can be passed on to policy makers in particular.

The interconnectedness between sustainable development (SD) and well-being indicators is undeniably related. An attempt and more emphasis are on the use and influence of SD indicators both at national and the EU levels such as in a case of Finland.

In August 2009, the European Commission released a document entitled 'GDP and Beyond: Measuring Progress in a Changing World', which framed five key actions to improve and reinforce current measurement in terms of growth. These were 'Complementing GDP with highly aggregated environmental and social indicators', 'Near real-time information for decision-making', 'More accurate reporting on distribution and inequalities', 'Developing a European Sustainable Development Scoreboard',

¹¹ Europe 2020 indicators - poverty and social exclusion. Retrieved from <https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Europe_2020_indicators_-_poverty_and_social_exclusion&oldid=288579#General_overview>. Accessed on 1 September 2019.

¹² Kitty Steward. Dimensions of Well-being in EU Regions: Do GDP and Unemployment tell us all we need to know? 2005. Page 221.

and 'Extending National Accounts to environmental and social issues.'¹³ On top of that, there is Europe 2020 Strategy which focuses on employment, sustainable and inclusive growth to echo how important sustainable development is.

There are also three types of sustainable development (SD) indicators proposed by Janne Rinne et al., which are Instrumental, Conceptual and Political Use of indicators can be added to well-being.¹⁴ Consequently, it is evidently clear the EU is at the forefront of well-being and SD development in which one can use few key indicators to measure and evaluate policymaking and its conduct related to inter-regional relations. More importantly, this can be a tool for mutual learning between the EU and ASEAN.

Well-being and poverty measurement indicate the use of 'synthetic indices.' An attempt to create 'multidimensional index' based on the capability approach was employed. This is to measure sustainability and well-being. Basically, it discusses the kind of life a person chooses in addition to a person's capability. Moreover, there are meaningful variables in sustainability context which are consumption, income distribution, life expectancy, health, education, employment, pollution, aesthetic and cultural values. These can be applied when measuring the well-being in a multidimensional space.

Amartya Sen's theory of well-being was conceptually mentioned as a main feature in multidimensional index. The advantage of this theory is that it considers goods and income are a means to reaching well-being, rather than being a goal or index in itself. To be more specific, Sen's theory is also named 'capability approach' and it offers three analytical categories to be used as sustainability and well-being indicators. These are 'functionings', 'capabilities' and 'freedom'.¹⁵

¹³ EU Roadmap 2009. Retrieved from <https://ec.europa.eu/environment/beyond_gdp/EUroadmap_en.html>. Accessed on 24 September 2019.

¹⁴ Janne Rinne, Jari Lyytimki and Petrus Kautto. From Sustainability to Well-being: Lessons learned from the Use of Sustainable Development Indicators at National and EU level. 2013. Page 35.

¹⁵ Alba Distaso. Well-being and/or Quality of Life in EU countries through a Multidimensional Index of Sustainability. 2007. Page 163.

To elaborate, Professor Amartya Sen argued that states and people, traditionally speaking, value incomes and goods as being material basis of well-being. However, there are five different sources of variation between real incomes and the benefits. In short, Amartya Sen's approach is widely known as 'Capability approach.' Key indicators under this scheme are as follows:

- **Personal heterogeneities**

In general, people have contrasting differences in connection with age, gender, illnesses and other factors. As a result, people's needs are vastly diverse.

- **Environmental diversities**

A variety of environmental conditions can have an influence on people's decision. For instance, climatic circumstances such as temperature ranges, rainfall, typhoon, dry weather and so on so forth, can have an influence on level of income. To elaborate, those who live in cold climate may be in need of heating and clothing requirements whereas people who live in a warmer regions may not need that equally. Another example is that of infectious diseases such as malaria, AIDS, among others, where these factors can change quality of life unarguably.

- **Variations in social climate**

This indication is regarded upon the conversion of personal incomes and resources into the quality of life. This can be led by social conditions, public setting, rate of crimes and violence in that particular area, not to mention the importance of community relationship, which is of great importance as an indicator.

- **Differences in relational perspectives**

Those who possess some certain level of income in a richer economy can achieve foundational elementary functioning such as taking part in a community activity though his/her income may be much higher than that of members of poorer communities in poorer economies. A widely accepted value of "appear in public without shame" can play a vital role since it requires a higher standard of clothing and visible consumption in a richer society than a poorer one. This is regarded as inter-societal variation in connection with inter-individual variation within a given society.

- **Distribution within the family**

Incomes from breadwinners or earners in each family are normally shared. As family is a basis of society, freedom of individual in a family depends on how family income is used of interests and objectives of different members of the family. Distribution of incomes, as a result, is a crucial variable in linking accomplishments and opportunities.¹⁶

These key indicators clearly support the idea and practice of well-being. Moreover, they help shape the importance of well-being at personal level in relation to economic performance. When a person earns a sufficient level of income or performs well in economic domain, he/she and his/her family is able to fulfill basic needs, which eventually they can claim that their life is exposed to the experience of quality of life.

At the EU level, there has been an effort to combine subjective well-being and objective well-being to be used as an integrated approach when measuring well-being. Thus, a conceptual framework for analyzing a policy and well-being is relayed below.

Component group	Component
Physiological needs	Income & housing Health Basic rights on health and income
Safety-security	Physical and political safety Economic security (education, skills, job)

¹⁶ Amartya Sen. Development as Freedom. Random House Inc. USA. 1999. Page 71.

	Physical environment
Individual valued activities	Autonomy & freedom
Relatedness-belonging	Social interactions Basic rights at social/societal level
Competence & self esteem	Competence & self esteem

Table 1.1: Integrated overview of the conceptual framework

Source: Eurostat, Feasibility study for Well-Being Indicators. Page 22.

Interestingly, the ‘Organization for Economic and Cooperation Development’ or ‘OECD’ developed indicators in order to deliver more sustainable development. The OECD asked a very simple question, which says “How’s life?” Then it proposed ‘The Better Life Index’ (BLI), which composes of 11 indicators.¹⁷ Basically, OECD came up with two foundational dimensions, which are ‘Quality of Life’ and ‘Material Conditions’. Under each pillar, the former consists of 8 variables which are health status, work-life balance, education and skills, social connections, civic engagement and governance, environmental quality, personal security and subjective well-being. The latter is composed of income and wealth, jobs and earnings, and housing.¹⁸ All of these indicators respond to the ‘Better Life Initiative’ in which the OECD has conducted a research and proposed on an ongoing basis.

¹⁷ How’s Life? 2015: Measuring well-being. Retrieved from <<http://www.oecd.org/statistics/howslife.htm>>. Accessed on 7 May 2016.

¹⁸ The OECD Better Life Initiative: Concepts and indicators. Retrieved from

<https://read.oecd-ilibrary.org/economics/how-s-life-2013/the-oecd-better-life-initiative-concepts-and-indicators_how_life-2013-5-en#page4>. Accessed on 7 May 2016.

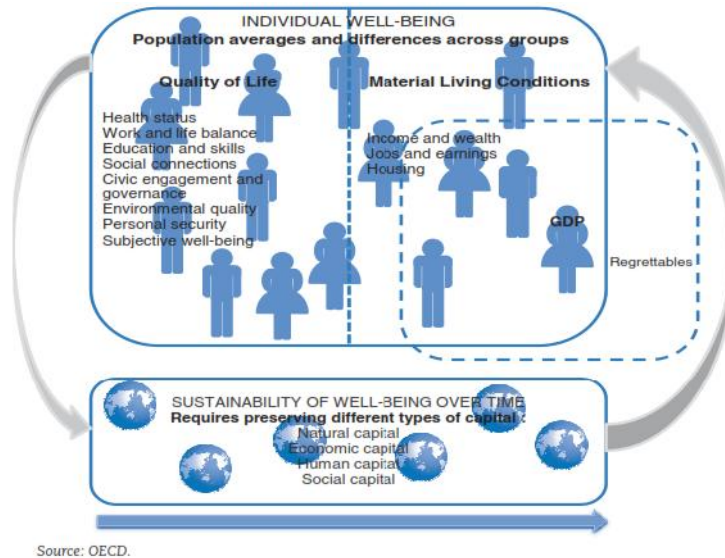


Figure 1.2: Individual well-being

Source: OECD

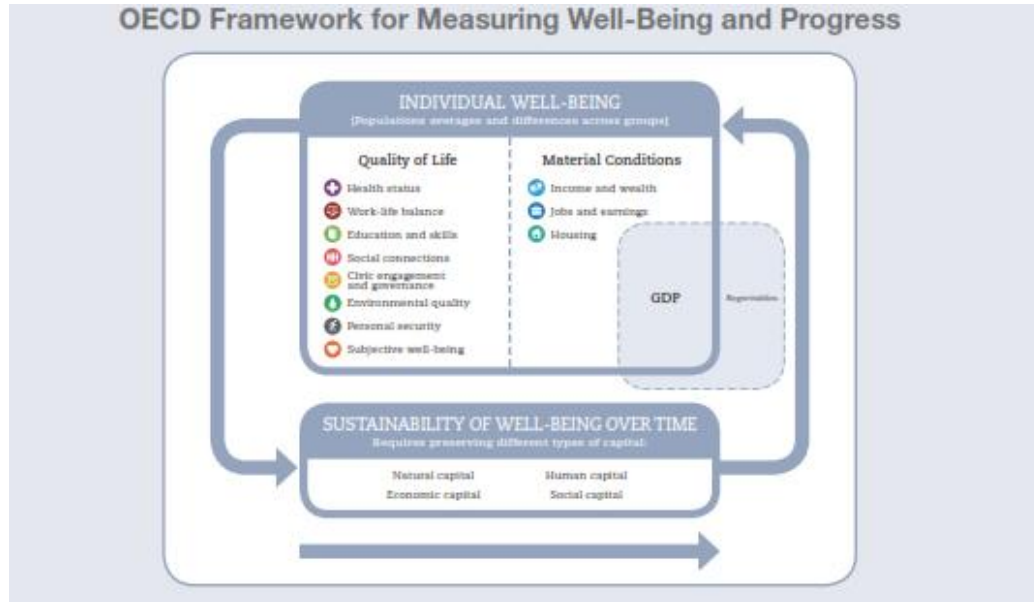


Figure 1.3: The OECD Framework for Measuring Well-being and Progress

Source: OECD

Moreover, the OECD created a website dedicated to this initiative via <http://www.oecdbetterlifeindex.org/>, which promotes and encourages those who are interested in participating either individuals or countries to see how happy they are when measuring against these indicators, then one can compare with other countries. Most countries in the EU are members of OECD. Their living standards are already high when compared with that of ASEAN. On top of that, member states of ASEAN have different levels of development. When used this measurement to compare the level of well-being in ASEAN, thus the result is varied.

When discussing about how well-being can be measured, there is a result of European survey, which offers a regional perspective. This study argued that there is not yet a ‘consensus among psychologists about the components of well-being’. In addition, there is no “gold standard” for measuring well-being; however well-being is important enough to receive major acknowledgement as an emerging science.¹⁹ According to the European Social Survey or ESS Well-being Module, a conceptual framework was proposed as shown below.

	Personal	Interpersonal
Feeling (having, being)	Satisfaction Positive affect Negative affect Optimism Self esteem	Belonging Social support Social recognition Societal progress

¹⁹ Felicia A. Huppert, Nic Marks, Andrew Clark, Johannes Siegrist, Alois Stutzer, Joar Vittersø and Morten Wahrendorf. Measuring Well-being across Europe: Description of the European Social Survey (ESS) Well-being Module and Preliminary Findings. Retrieved from https://www.researchgate.net/publication/24117882_Measuring_Well-being_Across_Europe_Description_of_the_ESS_Well-being_Module_and_Preliminary_Findings. Accessed on 8 June 2016.

Functioning (doing)	Autonomy	Social engagement
	Competence	Caring
	Interest in learning	Altruism
	Goal orientation	
	Sense of purpose	
	Resilient	

Table 1.4: European Social Survey or ESS Well-being Module

Source: Measuring Well-being across Europe: Description of the European Social Survey (ESS) Well-being Module and Preliminary Findings, 2008.

In addition, it incorporated few key factors that are important to well-being effect. These are the risks of unemployment, income comparisons, physical activity and feelings about watching television. It is worth noting that this survey also emphasized how “most developed countries’ increases in income, education and health have not produced comparable increase in life satisfaction or happiness.” Thus far, this paper did not mention how these factors are relevant in foreign policy making. However, it is academically useful for foundational extract regarding the internal EU’s perspective of social well-being.

In addition, the findings from this survey found that high scores of depression scale are associated with low scores on the positive effect measure. This is a case for population in European countries which face a symptom of depression. From the above example, this EES Well-being Module helps provide an opportunity for describing how European citizens experience their lives. Some key questions are such as ‘To what extent do you get a chance to learn new things?’, ‘To what extent do you feel that people treat you with respect?’, and ‘How important is it to you to compare your income with other people’s incomes?’

As a result, these are key questions which are useful to formulate key questions contributing to the analysis of well-being in relation to trade and development policy of the EU towards ASEAN.

At international and global levels, health has become a center of foreign policy making and policy conduct as well as in the heart of International Relations when setting an agenda. Not only does it help offer a new definition of health in terms of global health but it also presents how human health has been affected by global interconnectedness. Moreover, the definition of 'health' must be broad in accordance with the World Health Organization or WHO which states as 'a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity.'²⁰

There is a conceptual framework, which is useful to be used as a guideline to analyze global health in competing ways. This is called 'Competing frames in global health'. There are actually five dominant frames, which can be used to measure global health phenomena in response to needs and normative construction. The 'Competing frame in global health' is mentioned below.

Competing Frames in Global Health

Five Dominant Frames	Boundary and definition
1. Evidence-based medicine (EBM)	"This frame encourages and reinforces positivist, rationalist ways of reasoning. It actively promotes the use of statistics, elevating this form of inquiry above all others." Therefore, any decision made should be based on the best scientific evidence using epidemiological and bio-statistical methods. Basically, there is a need of evidence to support decision making process.

²⁰ Colin McInnes and Kelley Lee. Global Health and International Relations. Polity Press. UK. 2012. Page 11.

2. Human rights	This frame of thought is based on the principle of dignity and respect for the individual in which any public health policies ought to be laid foundation on. Any projects or programs should not violate human rights obligations.
3. Economism	“This frame is based on assumptions that demand for health is inelastic. Therefore, this frame leads to the argument about efficiency, choice and competitiveness in the distribution of resources.”
4. Security	“Health is framed as a security issue when it is presented as a threat to someone or something and as something against which defensive measures must be taken.”
5. Development	“This is based on the idea that policies should improve conditions in the Third World where the First World becomes something of a benchmark for measurement.” It tends to interpret as responsibility of the latter to help the former.”

Table 1.5: Competing Frames in Global Health

Source: Colin McInnes and Kelley Lee. Global Health and International Relations. 2012.

Considering this conceptual model closely, it is challengingly useful to depict the “Development” lens to help analyze how the EU and ASEAN interact with each other through development policy, in particular well-being related to health issue.

From global and international perspectives of well-being, the discussion of well-being can be at the center of policy making. For example, the Legatum Institute, an independent non-partisan public policy organization, promoted public policy and well-being to contribute and push forward happiness and sustainable target to be enacted in the heart of any policy.

According to the Legatum's report entitled 'Wellbeing and Policy', a new design of subjective well-being as well as better public policy making was presented. This is aimed to reach a better social well-being as a whole. This report also argued that even though GDP is agreed and widely regarded as a measure of economic success; however it is insufficient for national success.

Therefore, it requires more efforts to broaden a scope for public policy analysis.²¹ As a result, a new way to measure is to use 'Life-evaluation measures.' It means that subjective well-being of people in a nation can be used to reflect how happy they are and eventually it will respond to the real success of economic policy. Other drivers or factors to well-being policymaking, which can have an impact on life satisfaction, are income, employment, education, family, community, environment, physical health and mental health. These can be grouped into three categories, which are Economic, Social and Personal well-being.²²

This coincides with a study entitled 'Education and Health in Developing Economies.' It argued that education can help workers become more productive, possess technological development, better equip parents to raise skilled upbringings and all of these lead to economic growth.²³ As Tom S. Vogl puts it, "schooling makes workers more productive, speeds the development of new technologies, and better equips parents to raise skilled children, all of which promote economic growth. Growth, in turn, incentivizes investment in human capital. Causal links point in every direction, traversing phases of the lifecycle as well as generations."

It is evident that education intertwines complex relationships with other factors of well-being. Considering education, it affects health; life expectancy has an influence over educational investment in youth and young adult. Moreover, health and education of parents play a critical role in the outcomes of children, particularly, in developing countries where levels of schooling and health are still under standard.

²¹ Legatum Institute. Wellbeing and Policy. Retrieved from <http://li.com/docs/default-source/commission-on-wellbeing-and-policy/commission-on-wellbeing-and-policy-report---march-2014-pdf>. Accessed on 9 July 2016.

²² Ibid. Page 4.

²³ Tom S. Vogl. Education and Health in Developing Economies. Retrieved from http://www.princeton.edu/~tvogl/vogl_ed_health_review.pdf. Accessed on 10 July 2016.

In general, the linkage between education and health for people is not widely studied in International Relations even these two factors are extremely important for lifecycle and across generations. A hypothesis to this constraint could be an indefinite timeframe and a great deal of empirical evidence to collect at both regional and inter-regional levels.

It is a basic fact to note that healthier and more educated mothers have healthier children and more educated children. As a result, effects from health and education from healthier and more educated children can spill over to other areas like economy and policy formulation.

A relationship mapping between health and education and its key factors to be used as analytical tool for frame of thought development are 'Effects of Childhood Health on Educational Outcomes', 'Effect of Life Expectancy on Investment in Education', 'Effect of Education on Health in Adulthood', 'Effect of Parental Education on Child Health', and 'Parental Health Affects Child Education.' All these are under the basic principle of Intergeneration Links.

Apart from that, there have been international efforts to connect well-being with the quality of life. For instance, the Economist Intelligence Unit (EIU) came up with the Quality of Life Index, which argues that material well-being as measured by GDP per person cannot solely explain a broader quality of life in a country. Suggested determinants of quality of life are as follows: 1. Material wellbeing, 2. Health, 3. Political stability and security, 4. Family life, 5. Community life, 6. Climate and geography Latitude, 7. Job security, 8. Political freedom, and 9. Gender equality.²⁴

In this connection, there was a life satisfaction survey conducted by the EU's Eurobarometer studies. For example, there was one question asked, which reads: "On the whole are you very satisfied, fairly satisfied, not very satisfied, or not at all satisfied with the life you lead?"

²⁴ The Economist Intelligence Unit's quality-of-life index. Retrieved from https://www.economist.com/media/pdf/QUALITY_OF_LIFE.pdf. Accessed on 11 April 2015.

The results of surveys have been attracting the public interest widely. However, the results faced criticisms as it did not reflect the reality or actual quality of life in each country since it only reflected the dominant view of life.²⁵ As a result, there is a big chance of risk/error when using single life satisfaction measure to assess quality of life between countries, not to mention regional groupings inter-regional relations like in the case of the EU and ASEAN.

The introduction of the UN's Universal Declaration of Human Rights could be used to identify factors that need to be included in the measurement of quality of life. In this regard, the UN developed Human Development Index (HDI). According to the report entitled 'Thailand's National Human Development Report 2014 Human Development through the ASEAN Community' commissioned by the UNDP, 'ASEAN aims to improve well-being and reduce poverty in its broadest sense, which goes in line with the goals and targets of the Millennium Development Goals (MDGs), thus Thailand's challenge will be to contribute to this mission in such a way to advance human development for all citizens.'²⁶

In general, the UN's HDI focuses on key development issues such as health, income, employment, access to education, housing and living environment family and community life, transport and communication, and social participation.²⁷

In a case of Thailand for example, regarding health index, Thai people are healthier than the past. They live longer. Life expectancy has increased by around 3 years (from 75 to 78.1 years for women and 67.9 to 71.1 for men). A continued improvement in the quality of health services and the expansion of access to healthcare, especially through the Universal Healthcare scheme launched in 2001 deserves a credit of appreciation. Currently, almost every Thai people are covered by health insurance.²⁸

²⁵ Eurobarometer 62: Public opinion in the European Union. Retrieved from https://ec.europa.eu/commfrontoffice/publicopinion/archives/eb/eb62/eb_62_en.pdf>. Accessed on 15 April 2015.

²⁶ UNDP. Advancing Human Development through the ASEAN Community. Page 1. Retrieved from http://hdr.undp.org/sites/default/files/thailand_nhdr_2014_0.pdf>. Accessed on 14 May 2015.

²⁷ Ibid.

²⁸ Ibid.

However, facing challenges in health are the diseases that come with prosperity and modern lifestyle. These are non-communicable diseases (NCDs) such as heart diseases, diabetes, hypertension, and cerebrovascular disease; these have become the principal health risk for Thai people as well as emerging economies in Asian countries.

To strategically achieve a full integration of ASEAN Economic Community 2015, Thailand has proposed to use Thailand's ASEAN Community Strategy which focuses on urgent issues as follows: education, social protection and health, people across borders, environment, development of the outer provinces, security and human rights and community.²⁹ This piece of evidence provides a clear academic and experience intervention for a regional development as well as national advancement in many areas since Thailand in the past did not pay much attention to social determinants when considering development. However, at present, things have changed towards a new dimension for development policy.

When looking at a global scale in accordance with the income-based measures of poverty of the UN; however, there are still approximately 1.2 billion people living with USD 1.25 or less per day. On top of this, according to the 'UNDP's Multidimensional Poverty Index', almost 1.5 billion people in 91 developing countries are living in poverty with "overlapping deprivations in health, education and living standards. And although poverty is declining overall, almost 800 million people are at risk of falling back into poverty if setbacks occur. Many people face either structural or life-cycle vulnerabilities."³⁰

According to an interactive virtual statistic data from the UN, all member states of the EU are ranked in 'Very High Human Development' as opposed to member states of ASEAN which are variably categorized under 'Very High Human Development', 'High Human Development', 'Medium Human Development' and 'Low Human Development.'³¹ This clearly shows how factors in development and its achievement in ASEAN are regionally incompatible and inconsistent.

²⁹ Ibid. Page 7.

³⁰ UNDP. Human Development Report 2015: Work for Human Development. Retrieved from <<http://hdr.undp.org/en/2014-report>>. Accessed on 20 May 2016.

³¹ UNDP. International Human Development Indicators. Retrieved from <<http://hdr.undp.org/en/countries>>. Accessed on 22 May 2016.

In accordance with the purposes of ASEAN Community, ASEAN aims “to enhance the well-being and livelihood of the peoples of ASEAN by providing them with equitable access to opportunities for human development, social welfare and justice.”³² Nevertheless, the European Parliament expressed heavy concerns when pursuing international trade with ASEAN. In a case of FTA, for instance, it is a must to meet certain conditions regarding sustainable development and human rights as well as fighting against corruption. As a consequence, win-win situations and solutions can be mutually reached and outpaced obstacles, particularly in the negotiations over free trade agreements, in partnering process and cooperation agreements.

Two concrete examples here are the grant support provided by the EU for ASEAN-EU Program for Regional Integration Support (APRIS) economic cooperation, which was worth 10 million euro. And a new program called ‘ASEAN-EU economic cooperation is run through ASEAN Economic Integration Support Program (AEISP).’³³

1.4 Methodology

This PhD thesis uses qualitative approach in order to answer research questions. By qualitative approach, it is of qualitative observation, which is descriptive and causal inferences based on non-comparable observations that address different aspects of the issue at hand.

1.4.1 Sources of data

Data was collected from a wide range of sources. These are official documents, research papers, online documents, related books and interviews in order to capture and extract the content and perception of well-being in relation to trade and development policy of the EU towards ASEAN.

³² UNDP. Advancing Human Development through the ASEAN Community. Page 12. Retrieved from http://hdr.undp.org/sites/default/files/thailand_nhdr_2014_0.pdf>. Access on 1 June 2016.

³³ Paul Joseph Lim. ASEAN's Relations with the EU Obstacles and Opportunities. Retrieved from <https://www.academia.edu/34896906/ASEANs_Relations_with_the_European_Union_Obstacles_and_Opportunities>. Accessed on 3 June 2016.

1.4.2 Research Questions

Main question

1. How does the EU's trade and development policy contribute to the well-being in ASEAN since the inception of the Treaty of Lisbon?

Sub-questions

2. How has the EU conducted development and trade policy in relation to well-being when interacting with ASEAN?

3. Apart from health, education and employment factors, what are other key indicators which can be used to reflect and measure well-being for both regional groupings?

4. How can well-being be measured in the context of inter-regional relations?

5. Which channel can the EU and ASEAN best pursue their inter-regional relations?

1.4.3 Semi-structured interview

Key informants were asked to contribute their insights: 20 key informants were asked to contribute; however only 7 key informants were available to give an interview in addition to discussions. These 7 key informants were professionals from academic community, policy makers and key figures in regional organizations.

The interviews were semi-structured using research questions as seen above. Interviewees expressed their views and interpretations of well-being and how they understood the issue in relation to trade and development policy. Research questions were used as a guide and thus allowed the interviews to explore into other areas which were important to the thesis research. These additional areas in which interviewees mentioned provided valuable information concerning their understandings and

interpretations of well-being. All interviews were transcribed in English (some interviews were conducted in Thai language, thus along the process they were translated into English) and the transcripts were used for qualitative analysis.

1.4.4 Documents

In addition to the interviews, a wide range of documentary evidence was used, and the theoretical framework was helpful in guiding the selection of appropriate materials. Qualitative method will be employed to approach, interpret and translate related documents and innovative indicators, including information from selected organizations and/or civil societies which are involved in trade, development and well-being.

The application of qualitative data analysis approach, which enables tracing the actions and interactions of different actors involved in policy formulation in order to re-construct a narrative of the processes involved and the outcomes achieved. This approach can be defined as a process tracing as an analytical tool for drawing descriptive and causal inferences from diagnostic pieces of evidence. This is often understood as part of a temporal sequence of events or phenomena. Moreover, it defines process tracing as a research procedure intended to explore the processes by which initial conditions are translated into outcomes.³⁴

Learning from semi-structured interview conduct, understating the whole is always greater than the sum of its parts, and thus the social context of events, thoughts, and actions related to the implementation of well-being becomes essential for interpretation. Within this framework, it makes more sense when not focusing on only two variables out of an interacting set of influences and tests the relationship between just those two variables mentioned below.

³⁴ Qualitative Data Analysis. Retrieved from <https://www.sagepub.com/sites/default/files/upm-binaries/43454_10.pdf> Page 321-323. Accessed on 5 July 2019.

1.4.5 Variables

There are basically two types of variables, which are independent and dependent. This thesis finds that a region-to-region relationship between the EU and ASEAN has gone through an array of factors and many channels. Thus, according to research evidence, both regional groupings interact extensively via trade and development policy in addition to different factors and agenda involved. As a result, all involved factors will basically be related to these two types of variable as mentioned for a systematic analysis.

1.4.5.1 Dependent variables

- Well-being
 - Subjective well-being
 - Objective well-being→Non-economic dimension of well-being
 - Education
 - Employment
 - Health

1.4.5.2 Independent variables

- Trade policy
- Development policy

For this PhD thesis, the researcher intends to use descriptive inferences and to trace specific causal diagnosis to outcomes based on a case by case basis as appears in selected projects and programmes of the EU, which had provided assistance to ASEAN.

The author of this PhD thesis will also use five questions as mentioned above in the 'Research Question' section in addition to the well-being indicators (proposed by researcher) mentioned below to ask key-informant to supply answers to this research conduct. All relevant answers will be put under the 'Research Findings' section of this PhD thesis.

1.4.6 Well-being Indicators/Factors (proposed three key indicators by researcher, to be used in the interview with key informants)

Leading Indicators/Factors	Low priority (Less recognized when conducting trade and development policy)	Medium Priority (Somewhat recognized when conducting trade and development policy)	High Priority (Highly Recognized when conducting trade and development policy)
Health			
Employment			
Education			

This matrix will be used as a tool during an interview conduct with key informants. As a result, the sum-up result will be mentioned on top of the overall analysis whether inter-regional relations between the EU and ASEAN are mutually reciprocal in terms of well-being.

1.4.7 Theory and Approach

There are two main theories and three approaches, which will be used as the main analytical tools in examining this issue of PhD research conduct. These are 'Normative Power Europe', 'Game Theory', 'Development Policy of the European Union', 'The World after GDP', and 'A Well-Being Manifesto for a Flourishing Society'.

1.4.7.1 Normative Power Europe

After reviewing Professor Ian Manners' theory entitled 'Normative Power Europe' in order to approach questions and current situation between the EU and ASEAN, it helps examine how both global actors are attracted to each other in terms of trade and development cooperation.

The EU is attracted to ASEAN and vice versa in terms of values, politics, governance, economy, among other issues via agenda setting approach and other means of cooperation. Although the EU requires a considerable set of rules when trading with ASEAN, it still provides other development projects and programmes in different areas. Moreover, each of ASEAN Member States (AMS) is open to trade with the EU bilaterally such as in the case of the Free Trade Agreement (FTA) between Singapore and the EU as well as FTA between Vietnam and the EU. In this regard, 'Normative Power Europe' theory helps explain different aspects of the EU when interacting with ASEAN.

The six principles under Normative Power Europe theory, which have been laid out by Ian Manners, are 'Contagion', 'Informational diffusion', 'Procedural diffusion', 'Transference', 'Overt diffusion' and 'Cultural filter'.

When the EU exercises its norm and power, in addition to the six key principles classified by Normative Power Europe theory, other values and development of norms i.e. democracy, freedoms, rule of law and human rights, as can be seen from the table below, are also present.

Founding principles	Tasks and Objectives	Stable Institutions	Fundamental Rights
Liberty	Social solidarity	Guarantee of democracy	Dignity
Democracy	Anti-discrimination	Rule of law	Freedoms
Respect for Human Rights and	Sustainable development	Human rights	Equality

fundamental freedoms			
Rule of law	-	Protection of minorities	Citizenships Justice
Treaty base—set out in art. 6 of the TEU	Treaty base—set out in art. 2 of TEC and TEU, art. 6 and 13 of TEC	Copenhagen criteria—set out in the conclusions of the June 1993 European Council	Charter of Fundamental Rights of the European Union

Table 1.6: Normative Power Europe: A Contradiction in terms

Source: Ian Manners. Normative Power Europe: A Contradiction in terms? 2002.

However, a mere accepting the EU's normative power is insufficient. It is academically and practically more explainable to ask how EU norms are and have been diffused. In addition, this thesis will use the following six principles, which are 'Contagion', 'Informational diffusion', 'Procedural diffusion', 'Transference', 'Overt diffusion' and 'Cultural filter' to help analyze the inter-regional relations between ASEAN and the EU.

- **Contagion:** It is an unintentional diffusion of ideas from the EU to other political actors. To simply put, the EU exports this concept through its action, namely, leading by example.
- **Informational Diffusion:** It consists of the range of strategic communications such as new policy initiatives and declaratory communications.
- **Procedural Diffusion:** It involves institutionalization of a relationship between the EU and third party. For example, inter-regional cooperation agreements, membership of an international organization, inter alia.

- **Transference:** This is defined when the EU's diffusion of norm exchanges goods, trade, aid or technical assistance with third parties through the means of financial and substantive channels.
- **Overt diffusion:** This occurs when the EU physically appears in third states and in international organizations.
- The last norm is **Cultural filter:** this norm is felt when it affects the impact of 'international norms and political learning.' It is based on the 'interplay between knowledge construction and the creation of social and political identity.'

As mentioned, these six principles are academically capable of analyzing the EU's behavior when interacting inter-regionally with ASEAN and whenever the EU exports its norms.

1.4.7.2 Game Theory

In many cases, ASEAN and the EU have used several strategies in trade and development. Therefore, using Game theory as another theoretical framework has helped the author of this thesis to figure out how the two players interact. Outcomes of trade games that ASEAN and the EU play have leaned towards a 'positive sum game' rather than a 'zero sum game.' However, when considering factors and indicators in well-being as opposed to trade policy, both regional groupings prolong the trade deals since there are numbers of technical issues and time constraints to consider, in a case of FTA between individual ASEAN member states with the EU for instance. Nevertheless, this theory reasonably enhances the former theory.

To elaborate, Game theory is utilized and works when people play games rationally. Hypothetically, a person is a rational actor. The same principle applies to a state, a regional actor, juristic person and/or any player/actor. Therefore, when the EU and ASEAN behave rationally in terms of conducting trade and development policy, a game or a set of game is undoubtedly set to play and the outcome is challengingly worth to study and observe.

To help analyze cases in this thesis, it is beneficial to use a payoff matrix and a decision tree, which will be shown below, to clarify which strategy or best possible option that each player plans and/or what tactic is pursued, in this case the game will be played by the EU and ASEAN under different situations, i.e. trade and development policy in relation to well-being.

To illustrate, it is worth defining players and their stakes in this research according to the 'Game theory' concept.

1. The EU is the first player. This includes member states of the EU which are not mentioned individually or may be mentioned separately based on a case by case basis.

2. ASEAN is the second player. This includes member states of the ASEAN which are not mentioned individually or may be mentioned separately on a case by case basis.

3. Such 'Game' in this PhD thesis can refer to trade and development policy conducts.

4. 'Stake' is the advantage in economic activity with regard to trade. Subsequently, it helps protect the domestic market of a regional grouping and it creates a winning status in trade game. In addition, another 'stake' is a 'mutual agreement' in any developmental activity, meaning project or programme. These can be aid and/or development assistance of the EU, which have been promoted and implemented

to help developing countries. In sum, this can be said that stakes on the table are considered as economic/trade interests as well as assistance/aid benefits.

To demonstrate the relevancy and how solutions can be made, the two players will be relayed in a payoff matrix as shown below.

Trade Game	ASEAN	
	Using Trade policy as a pure strategy	Using Trade policy with other policy as a mixed strategy
EU Using Trade Policy as a pure strategy		
EU Using Trade Policy with other policy as a mixed strategy		

Under trade policy negotiation, a game that the EU and ASEAN play can result in ‘variable-sum games’ in which players can often benefit from working together. There is room for both cooperation and competition; therefore the players have incentive to maximize what percentage of the incentive they each can get. In contrast, in ‘fixed-sum games’ there is no room for cooperation since there must be a winner and a loser like playing a chess game.³⁵

³⁵ James Miller. Game theory at work: How to use game theory to outthink and outmaneuver your competition. McGraw-Hill. USA. 2003. Page 80-81.

Development Game	ASEAN	ASEAN
	Using Development policy as a pure strategy	Using Development Policy with other policy as a mixed strategy
EU Using Development Policy as a pure strategy		
EU Using Development Policy with other policy as a mixed strategy		

Under development policy negotiation, ASEAN is in a position to pursue its needs by setting agenda and requesting either technical assistance or financial aid or both from the EU, as a donor or aid provider. By nature of development work, room for cooperation and assistance is flexible whilst financial constraint may be one of major limitations. This means that outputs and outcomes of projects/programmes can help indicate the future of collaboration in improving the same issue of concern and/or other areas where necessary. A goal of development work and policy can also refer to altruism. It does not always imply to be reciprocal, which means more cooperation is possible. "If people have sufficiently altruistic preferences, then rational cooperation ceases to be problematic even in one-shot games."³⁶

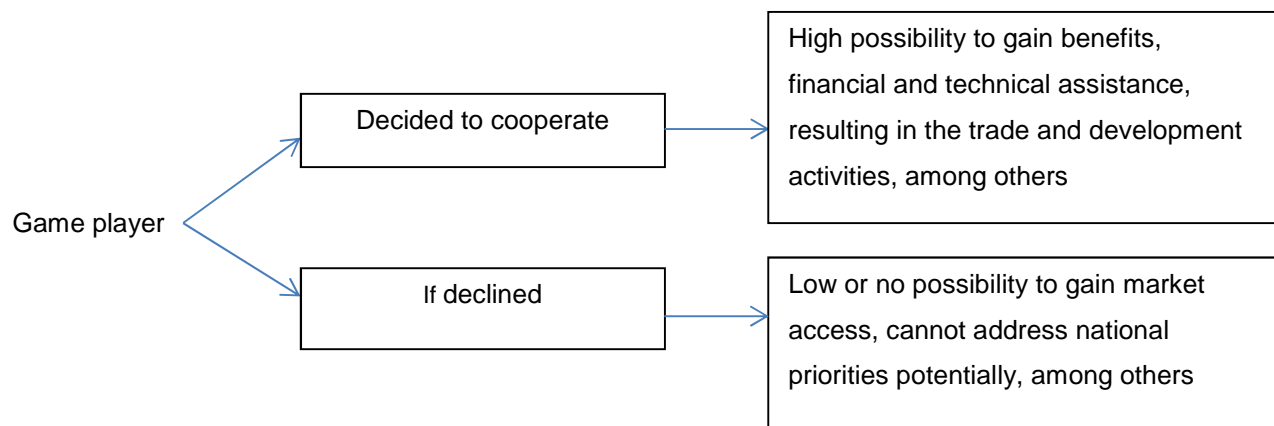
By using these two payoff matrixes, it can help clarify why the outcomes turn out and how the two regional groupings interact with each other, eventually it results in whether it leads to conflict or cooperation. To elaborate further, any game in which both ASEAN and the EU potentially tend to interact with each other is either under 'co-operative game' or 'non cooperative game'.

³⁶ Ken Binmore. Game theory: A very short introduction. Oxford University Press Inc., USA. 2007. Page 74.

Under each circumstance, there is a need to consider related elements in a game, these are:

- A list of player,
- A complete description of what the players can do (their possible actions),
- A description of what the players know when they act,
- A specification of how the players' actions lead to outcomes, and
- A specification of the players' preferences over outcomes.³⁷

In this regard, a decision-making tree is consequently applied in this thesis.



In a nutshell, Game theory is one of the most important concepts to thoroughly understand which and how best possible options for the two regional blocs to pursue when interacting through trade, development policy or any other channels under the landscape of inter-regional relations. To put it another way, one can ask what kind of strategy each player is using? Therefore, it is worth formalizing a definition of a strategy as “a complete contingent plan for a player in the game.”³⁸

³⁷ Joel Watson. Strategy: An introduction to Game theory. 2002. Page 6.

³⁸ Ibid. Page 23.

All in all, Game theory offers a very comprehensive foundation to deal with the depth and width in investigating and analyzing this topic of the thesis.

1.4.7.3 Development Policy of the European Union

The relationship between the EU and ASEAN is widely regarded as inter-regional relations. Development policy of the EU is, therefore, seen as a mechanism to enhancing regionalization process and a core element of development.

The EU's external relations and foreign policy are guided by the principles of coordination, coherence and complementarity and thus they are reflected in development policy.³⁹ Since the inception of Lisbon Treaty, development policy of the EU has increasingly become more incorporated in the EU's global agenda and its foreign policy.⁴⁰

In general, an argument over the concept of subsidiarity between the EU and individual member states still exists. This deals with whether the EU or member states, who is in a better position to conduct development policy when providing assistance to developing countries. However, this research of PhD thesis will focus its discussion on the role of the EU as the main player rather than individual Member States of the EU to avoid the confusing interpretation.

In short, the evolution of concept concerning development and development policy of the EU came about since 1960s and the EU mostly used to deal with ACP countries in accordance with Yaoundé Convention. After that, during 1970s, Lomé Convention was built on Dependency theory and New International Economic Order (NIEO) in which these two concepts helped emerging industries in the understanding and how to achieve greater access to markets in the developed world, including volumes of economic and technical assistance free of conditions.⁴¹ Later on, during 1980s, major attempt regarding financial

³⁹ Martin Holland and Mathew Doidge. Development Policy of the European Union. Palgrave Macmillan. 2012. Page 6.

⁴⁰ Ibid.

⁴¹ Ibid. Page 24.

and economic consensus helped creating a more positive economic transformation and growth and development based on Washington Consensus and Bretton Woods system and materialized the birth of IMF and World Bank with the aim to development adjustment and path to global development.⁴²

After that, Development and Integration theory gained ground and thus offered a broader conceptual context for the EU when dealing with development initiatives during 1990s.

In addition, contemporary contexts and volatile situations resulting from the global financial crisis and rising demand of global needs in increasing more development funds during 1990s and 2000s were considered as crucial even though they were external factors.

On top of that, there were new approaches to determining the EU's development policies; these were such as inter-governmentalism, neo-functionalism, multi-level governance, among others. However, 'Development Policy of the European Union' considers that Integration theory is most appropriate conceptual framework for embracing the EU's relations with the developing world.⁴³

Nonetheless, a way to determine which country or region categorized as 'a developing world' is still considered a problematic and challenging issue by the EU. Therefore, different criteria can be used such as ideology, poverty, geography, economic performance, aid or exclusion from the global economy.⁴⁴

As a result, the EU has been criticized with the lack of consistency and comprehensive approach when it comes to development policy. Therefore, utilizing this approach in this thesis will help establish the understanding of criteria selection process and nature of relations between the EU and developing countries, namely Member States of ASEAN and ASEAN as a regional bloc.

Another pragmatist approach to help categorize which country or region would receive assistance from the EU is through European Development Fund (EDF) and Financing Instrument for Development Cooperation (DCI) mechanisms.

⁴² Ibid. Page 25.

⁴³ Ibid. Page 36.

⁴⁴ Ibid. Page 37.

Accordingly, there are two keys of analysis when it comes to formulating development policy of the EU. These are criteria to select what and where exactly the 'developing world' is defined and located in addition to mechanisms of funding to help such country or region.⁴⁵

On top of that, in 2000 the EU Commission came up with a more comparative advantage principle in relation to poverty reduction by proposing six core areas for the EU to increase its responsibility under development policy. These are as follows:

1. *Trade for development;*
2. *Regional integration and cooperation;*
3. *Macroeconomics policies linked to poverty reduction;*
4. *Food safety and sustainable development strategies;*
5. *Strengthening institutional capacity;*
6. *Good governance and the management of public affairs.*⁴⁶

To make issues and matters happen, cross-cutting issues like human rights, capacity building, environment, gender will also be incorporated within these six core principles.

1.4.7.4 The World after GDP

This approach is taken from the book entitled 'The World after GDP: Economics, Politics and International Relations in the Post-Growth Era' by Professor Lorenzo Fioramonti. The foundation and basis of argument is about changing a traditional perspective in terms of "the economic rules of the game to the new one, thus it can lead to a more profound political and social transformation."⁴⁷

⁴⁵ Ibid. Page 45.

⁴⁶ Ibid. Page 105.

⁴⁷ Lorenzo Fioramonti. The World after GDP: Economics, Politics and International Relations in the Post-Growth Era. Polity Press. USA. 2017. Page 6.

The core argument involves how GDP reflects only some parts of the whole economy whereas the quality of life requires more factors and indicators to be fulfilled rather than relying solely on the traditional approach of GDP growth. To elaborate, GDP does not provide and explain the holistic view of growth and development of a country. It tends to ignore valuable practices such as a mother raising her children, parents teaching their upbringings, people dedicating to work for social development, among others.

Social, economic and environmental well-being and their indicators are inter-related and inseparable.⁴⁸ In this regard, there have been proactive movements around the world taking the matter seriously by opposing international trade and investment as well as businesses expansion which are only focused on economic advantage and growth of economy.

As a consequence, this approach proposes a concrete picture to achieve the era of a post-GDP system of governance where a new economic paradigm must take the three key pillars of sustainable development into account much more than before when setting frameworks, agendas and goals towards development of a country or region. Aside from that, a critical change from a GDP-based system to a more sustainable approach potentially face some paradoxical views while people recognize that there is a need to change and use a new model of equitable and sustainable development; however they still have to operate under the old system. As a result, a change or even a reform cannot be achieved. This indicates that statistical reform, institutional reform, and conceptual reform need to be discussed further to make a new paradigm more applicable at various levels. A model of multi-stakeholders connection proposed by Professor Lorenzo Fioramonti reflects the importance of bottom-up approach where MSMEs, SMEs, civil society, change agents and the like can put pressure on top-down players like the UN, international organizations, global actors, among others, as one can see from the figure appears below.

⁴⁸ Ibid. Page 17.

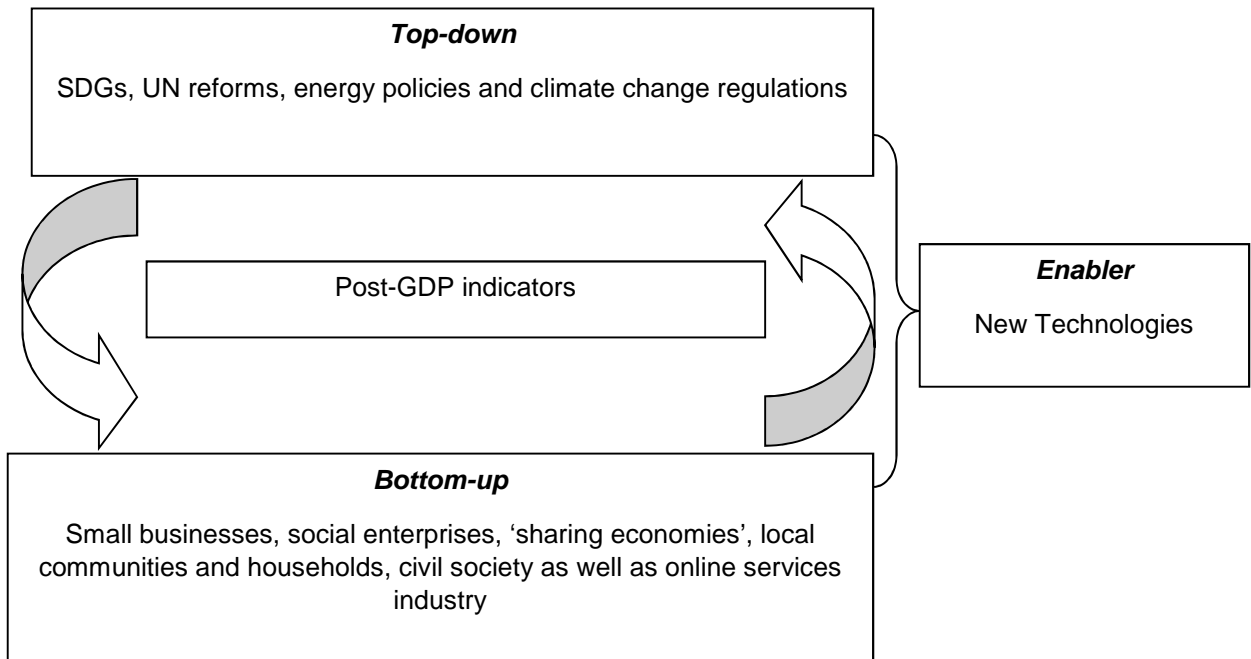


Figure 1.7: How post-GDP indicators connect top-down trends and bottom-up pressures

Source: Professor Lorenzo Fioramonti. The World after GDP: Economics, Politics and International Relations in the Post-Growth Era. 2017. Page 37.

According to the figure mentioned above, key players at both levels are held accountable to the general public and faced with the pressures arising from technological advancement as one can witness from different social media platforms nowadays. For instance, www.change.org which is a world platform dedicated to change where anyone who wants to raise a public concern and would like to pursue collaborative commitment from people around the world can initiate action, gain financial assistance/contribution through raising fund and recruiting colleagues with like-minded ideology to come together and address particular issue for a greater impact/cause.

In addition, when considering 'Post-GDP indicators', there are many key indicators in which a region or state can choose from. These indicators are globally recognized and are flexible, which can be applied and adapted in accordance with countries, states and regions contexts. These are such as 'Happy Planet Index', 'Better Life Index', 'World Happiness Index Report', 'Gross national Happiness', 'Social Progress

Index', among others. These indicators can be claimed that they are "most cited post-GDP indicators and their key characteristics".⁴⁹

In this regard, this thesis will also use selected key principles from this approach 'The World after GDP' to help analyze the inter-regional relations between the EU and ASEAN. These are as follows:

- *Data revolution: from vertical control to horizontal distribution,*⁵⁰
- *Challenging vertical power through governance innovation,*⁵¹
- *Civil society at the core of governance,*⁵²
- *Local power and collective leadership,*⁵³ and
- *From globalization to regionalization.*⁵⁴

All these key principles reflect the post-GDP politics and the post-GDP world where individuals, regions and global community will be able to take alternative indicators to lead their lives rather than relying on calculating growth based on GDP solely. Ultimately, we can reach the stage of well-being economy where people have sufficient data and information to make decision collectively with their governments. This may sound idealistic but efforts have been pushed forward to challenge the traditional practice of GDP in many places around the world. As a result, the issue of well-being already has gained solid ground of supports and thus being recognized much more than the past for a greater collaboration among players at various levels.

1.4.7.5 A Well-being Manifesto

⁴⁹ Lorenzo Fioramonti. *The World after GDP: Economics, Politics and International Relations in the Post-Growth Era*. Polity Press. USA. 2017. Page 80-82.

⁵⁰ Ibid. Page 140.

⁵¹ Ibid. Page 146.

⁵² Ibid. Page 151.

⁵³ Ibid. Page 157.

⁵⁴ Ibid. Page 191.

'A well-being manifesto for a flourishing society' is a document published by the New Economics Foundation (NEF), a UK based non-profit organization. This document helps lay out indicators and seeks to answer the question "what would politics look like if promoting people's well-being was one of government's main aims?" This question can be adapted and applied to the relations between the EU and ASEAN. This document also discusses how the growing economy does not necessarily bring positive results at a high level to well-being. As NEF is a leading think tank and do tank in this field, it is complementarily useful to use this document as a frame of thought for research on well-being. This thesis selects key notions from this document as a lead-in measurement for well-being. These are as follows:

- 1. Measure what matters: produce a set of national well-being accounts.*
- 2. Create a well-being economy: employment, meaningful work and environmental taxation.*
- 3. Reclaim our time through improving our work-life balance.*
- 4. Create an education system to promote flourishing.*
- 5. Refocus the NHS to promote complete health.*
- 6. Invest in early years and parenting.*
- 7. Discourage materialism and promote authentic advertising.*
- 8. Strengthen civil society, social well-being and active citizenship.⁵⁵*

The author of this thesis will incorporate three selected indicators into a table of mixed Trade and Development policy vis-à-vis well-being so that the analysis will be evidently relevant to the three key factors of well-being mentioned in this thesis, namely health, education and employment. Three key selected indicators will be relayed into the table below as chosen indexes.

⁵⁵ New Economics Foundation. A well-being manifesto for a flourishing society. 2014. Page 8.

Well-being indicators	Trade policy (of the EU when conducting towards ASEAN)	Development policy (of the EU when conducting towards ASEAN)
Create a well-being economy: employment, meaningful work and environmental taxation		
Create an education system to promote flourishing.		
Refocus the NHS to promote complete health.		

This table will be used to help analyze situations where the EU and ASEAN have interacted and interact with each other. The symbol of '✓' and descriptive explanation in relation to this table will be employed as an indicator to represent an answer after analyzing all aspects of economic and developmental activities.

1.4.8 Comparison of strengths and weaknesses of theory and approach

The following table will illustrate, compare and explain why there is a vital need to use and apply selected theories and approaches in combination manner throughout this thesis in order to help analyze this research issue. In addition, it will also present strengths and weaknesses of each theory and approach.

Theory/Approach	Strengths	Weaknesses
<p>1. Normative Power Europe</p> <p>The EU's role in relation to well-being can generally be explained by using this theory since the EU not only promotes well-being for its citizens through policy, strategy and commitments via different channels, but also for other partners like ASEAN. ASEAN observes such behavior and recognizes the efforts and norms committed by the EU.</p>	<ul style="list-style-type: none"> - It offers useful lens to frame a foundational understating around the EU's role and its influence. - It helps indicate how the EU's intention and values are promoted via different channels. <p>While some of the EU's values remain strong but with the inception of Brexit, the question concerning internal cohesion of the EU continues to rise.</p>	<ul style="list-style-type: none"> - It requires other perspectives related to trade and development policy, although it already touches upon trade, development and cooperation. - Considering different actors on the world stage, the EU now has less power in attracting partners since there has been technological and innovative advancement where platforms of opportunities can be easily sought. Newer generations lose interest quicker. As a result, the charming and norms of Europe gains less attention. In addition, the interpretation of well-being has changed based on different contexts.
<p>2. Game theory</p> <p>This is a classic theory.</p> <p>Hypothetically, in accordance with Game theory, the EU and ASEAN are rational players.</p> <p>Trade and development policy is</p>	<ul style="list-style-type: none"> - It helps create deeper and greater understanding of how and why the EU and ASEAN make their moves in such direction, including their decision making process. 	<ul style="list-style-type: none"> - Cooperation should not be conceptualized as a game to play; otherwise social progress in a longer term would potentially be affected, and thus any joint collaboration could be based on

<p>a tool to pursue inter-regional relations and thus situations relating to these two players can be put under trade-off/ pay-off matrix and a decision making tree. As a result, well-being can be understood by Game theory through how and why the EU and ASEAN formulate policy, strategize and implement in response to different interests, initiatives and circumstances.</p>	<p>- Trade and Development can be viewed as a game to play since there are players. In this game, the EU and ASEAN are the two players.</p>	<p>non-confidence building.</p> <p>- Of course, development comes with a price and a cost; there is a need for negotiating parties to set an agenda and common goals. In this regard, most ASEAN member states are in a position of being a recipient rather than being an equal partner with the EU.</p>
<p>3. Development Policy of the European Union</p> <p>This approach helps fulfill the fundamental understanding of how the EU conceptualizes development, including how the EU categorizes developing world or recipient countries. In addition, it offers an overview of financial mechanism and technical assistance in which the EU employs when identifying and providing aid assistance.</p>	<p>- It is useful to understand how the EU has laid out the development plan to help developing countries.</p> <p>- It lays out development ground for a greater understating of why and how the EU has engaged with developing countries and least developing countries via development policy and mechanisms involved.</p>	<p>- The EU has been working in partnership with partners around the world not only via development scheme but other channels as well such as trade, technology, private sector, NGOs, investment, and so on.</p>
<p>4. The World after GDP</p>	<p>- This approach helps lay out technology and innovative</p>	<p>- It may sound too optimistic to change from a traditional practice</p>

<p>This approach is well developed to help pave a way for a more balanced management in public policymaking in relation to well-being. This approach also promotes technology and innovation platforms as a potential enabler to push forward well-being at different levels.</p>	<p>mechanisms in association with well-being promotion at different levels of policymaking.</p> <ul style="list-style-type: none"> - A major benefit of this approach is that it offers a clearer path towards well-being economy where individual, community, country and global organizations can apply. - It also strengthens individual's capability in fulfilling well-being by using technology. As mentioned by Sen's Capability approach, well-being is considered the aim rather than a means. Therefore, the World after GDP complements Sen's theory. In particular, importance is placed on local and community. 	<p>committed by every country to adopt well-being economy within a short period of time. However, it is a sustainable move for greater prosperity and more tangible inclusive growth.</p> <ul style="list-style-type: none"> - Developed countries are in a better position to look at and implement well-being as a goal whereas developing countries have been struggling to reach economic growth. It appears that development framework of a developing country must go through economic wealth before it decides to change to a more meaningful goal like well-being.
<p>5. A Well-being Manifesto</p> <p>This is internationally renowned document and claimed as one of the first blueprint of well-being. There are key elements, which can be implemented at various</p>	<ul style="list-style-type: none"> - It is one of the most recognized perspectives on well-being, which offers comprehensive views to help enhance well-being in public policy and its policy-making process. 	<ul style="list-style-type: none"> - It needs more information and data from developing countries where critical factors and socio-economic factors to deal with well-being are different from developed countries'. As a result, developing countries must apply

<p>levels. The content and information contain good intention. The focus is to push well-being to be at the center of public policy.</p>	<p>- It emphasizes the importance of alternative measure of success should not depend solely on GDP, but also on social development as a whole.</p>	<p>such concept to suit their contexts.</p> <p>- Many developing countries and least developed countries still focus on boosting up their economic growth and GDP. To change their old habits and mindsets may take a longer time. It is like a paradigm shift, which needs commitment, implementation process, time and dedication to be more prepared and ready to move to another level where human development are truly at the heart of policymaking.</p>
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As mentioned in the table, one can see that by applying theories and approaches to better understand the topic of well-being and related issues can be a very challenging task. According to this research conduct, well-being cannot be justified by relying on one point of view only; rather a key to greater understating of this research issue must engage a holistic approach where the interconnectedness of top-down and bottom-up methods counts.

1.5 Synthesis and integration of literature review in the studies of well-being

Overall, the synthesis and integration from literature review of research papers relating to the studies of well-being can be justified as follows:

Initially, having reviewed and learned from different perspectives and evidence of well-being, it is therefore viewed as a challenging issue for both in the academic domain and at practical level. A synthesis can draw upon critical perspectives towards the contemporary of well-being and its future direction observed and practiced by different players.

In addition, after exploring related research around the topic of well-being, one finds that different terms have been interrelatedly used, namely life satisfaction, quality of life, happiness, human development in which they produce implication towards well-being. Well-being can basically be divided into two categories, which are subjective well-being and objective well-being. Considering subjective well-being, factors like housing, income, health, inter alia, play a critical role in fulfilling one's well-being at personal level. With regard to objective well-being, factors such as environment, social connection, economic dimension, among others, of a person are accounted for.

This thesis will accordingly focus on objective well-being, in particular non-economic dimension of well-being since the public benefits or the public good are usually expected to be fulfilled by states. Key factors selected to study further in this thesis are education, health and employment. In addition, they reflect non-economic dimension of well-being and provide sound and solid connection with Human Development, human well-being, quality of life, life satisfaction and happiness at regional levels where the EU and ASEAN have pursued their interaction through projects and programmes. These projects and programmes considerably respond to the needs of non-economic dimension of well-being of ASEAN Member States level and at ASEAN regional level. In return, the EU has opportunities to execute norms, values, technical expertise, inter alia, in collaboration with ASEAN.

Secondly, there is a certain level of connection between trade policy, development policy and well-being, as can be seen from related research papers and evidence. However, inter-regional relations between the EU and ASEAN with a direct focus on well-being in connection with trade and development policy still need more research and investigation. This brings about particular interest of how trade and development can lead towards sustainable development, well-being and social progress for ASEAN as this PhD thesis is trying to supply such evidence.

When the EU formulates policy for its own region, there is an increasing concern over various problems, which could have an impact on different member states-not to mention the formulation and conduct of foreign policy after the Treaty of Lisbon, which has given more power to exercise regarding the external affairs in accordance with the key aspects stated in the Treaty. The Treaty of Lisbon provides the EU with a more visible actor role on the global stage when developing and deciding new policies. It also looks for pursuing relations with partners around the world in a wide range of issues, economically, politically, diplomatically as well as seeking opportunities to promote European interests and values globally.⁵⁶

Therefore, the EU has tried to further relations with ASEAN under different policies. There is no doubt that ASEAN looks up to the EU as a lesson learned of integration as well as values promoter, especially in terms of human rights, democracy and the rule of law. Inter-regional relations between ASEAN and the EU, subsequently, both blocs have been flourishing beyond mere trade partners. In particular, the EU is a giant in aid and development provider. One concrete evidence is that of the cooperation between the two regional groupings under ASEAN-EU Joint Cooperation Committee (JCC).⁵⁷

This thesis, therefore, will examine and analyze the connection of the EU's role as global actor when conducting trade and development policies in relation to well-being with and on ASEAN.

⁵⁶ The European Union. The Treaty at a Glance. Retrieved from <http://europa.eu/lisbon_treaty/glance/>. Accessed on 17 July 2016.

⁵⁷ ASEAN. 20th ASEAN-EU Joint Cooperation Committee (JCC) Meeting Convenes in Jakarta. Retrieved from <<http://www.asean.org/news/asean-secretariat-news/item/20th-asean-eu-joint-cooperation-committee-jcc-meeting-convenes-in-jakarta>>. Accessed on 20 July 2016.

Thirdly, at international and global levels, the United Nations (UN) has been promoting the Millennium Development Goals (MDGs) then it was transformed to the Sustainable Development Goals (SDGs). Although the UN does not directly mention well-being as the key term and ultimate goal for this development, actions and initiatives have been invested to help people around the world to live a better life.

The set goals and indicators of SDGs have also been created in response to priority; to continue carrying on work from MDGs and to make targets easier to reach. After considering the SDGs, they are potentially related to well-being mentioned in this thesis and to the three key factors selected, which are of health, education and employment.

Lastly, at individual and community levels, questions like these may occur to each one of us, for instance; 'What is the purpose of life?', 'What can fulfill our lives?', 'Is it happiness coupled with living in a so-called utopian society can make life better?' Questions like these may sound familiar and thus may provide further opportunity for discussion to any individual, community, organization, society, country, and region as well as at global level. Interestingly, happiness is not a new science as such. Aristotle, an infamous Greek philosopher and one of the most respected thinkers, evidently studied 'Eudaimonia' or 'happiness', in fact it is better to express under the term 'well-being' since it provides meanings carrying more holistic perspectives. This means that human being has questioned the true purpose of life, existence of happiness and well-being for more than two thousand years.

The impact of such concept has transcended to present time and interestingly to regional groupings as well. Key players at global level and regional level such as the European Union (EU) and the Association of Southeast Asian Nations (ASEAN) mention 'well-being' in their collective purposes. According to Article 3 of the EU's Treaty of Lisbon, "the Union's aim is to promote peace, its values and the well-being of its peoples." With regard to ASEAN, the region also aims to promote well-being for ASEAN citizens and community. In accordance with Article 1 of ASEAN Charter, ASEAN aims "to enhance the well-being and livelihood of the peoples of ASEAN by providing them with equitable access to opportunities for human development, social welfare and justice."

Based on the concept of Eudaimonia and these principles enacted in the Treaty of Lisbon and ASEAN Charter, one can see that well-being is regarded to be one of the aims set by both regional groupings. However, how each region manages to deliver the well-being to its citizens depends on policy, mechanisms, culture, law, society, tradition, expertise and appropriateness in line with their context of implementation.

It is evidently obvious that both regional groupings see the importance of well-being and thus mechanism like trade and development policy can be used to strengthen performance in different aspects as can be seen in projects and programmes selected to be reviewed in this thesis.

In sum, this thesis will basically cover four main areas of discussion which are 1) The EU's Trade Policy towards ASEAN, 2) The EU's Development Policy towards ASEAN, 3) The EU and ASEAN on well-being, and 4) Policy recommendations.

1.6 Objectives of this PhD thesis research

1.6.1 To analyze how well-being is perceived and conducted by the EU through Trade and Development Policy since the inception of the Treaty of Lisbon when interacting inter-regionally with ASEAN and how ASEAN responds to such policy, by using 'Normative Power Europe', 'Game theory', 'Development policy of the European Union', 'A well-being manifesto for a flourishing society' and 'The World after GDP' as analytical tools.

1.6.2 To investigate which socio-economic factors/indicators can be used to support the focus on well-being in relation to Trade and Development Policy of the EU and ASEAN.

1.6.3 To explore alternative/innovative approach to GDP, which involves non-economic dimension of objective well-being when the EU and ASEAN interacting inter-regionally through Trade and Development policy.

1.6.4 To develop a set of policy recommendations covering relational spectrum of Trade and Development Policy in connection with key well-being factors and alternative/innovative approaches based on inter-regional relations between the EU and ASEAN.

1.7 Scope of study

Since the inception of Lisbon Treaty in December 2009, which paved more ways for the EU to expand its power of external relations throughout the world, the EU, as a 'Normative power' player, has voiced and acted its willpower through the beliefs of democracy, human rights, rule of law according to the Copenhagen criteria.

Some key issues in the study of the EU in relation to ASEAN are widely focused on trade, development and regional integration process. However, issues like 'well-being' and 'sustainable development' have increasingly become more critical in pursuing inter-regional relations between the two mentioned regional groupings.

This thesis will, therefore, look at the EU's Treaty of Lisbon since its inception up to present, for example under the 'Policies for a better life' in relation to 'Public Health' and 'Commercial policy' as a stepping stone for considering the inter-regional relations with ASEAN.⁵⁸

1.8 Expected outcomes

1.8.1 This thesis will result in explaining how relevant the EU's trade and development policy in relation to well-being since the inception of Treaty of Lisbon when interacting with ASEAN.

1.8.2 This thesis will provide aspects of inter-regional relations through key factors of well-being when the EU conducting trade and development policy towards ASEAN.

⁵⁸ EU. Policy for a better life. Retrieved from <http://europa.eu/lisbon_treaty/glance/better_life/>.

1.8.3 The thesis will illustrate which channel the EU's Trade and Development Policy in connection with key well-being indicators contributing to the inter-regional relations between the two blocs.

1.8.4 This study will offer a set of policy recommendations and policy options covering relational spectrum of trade and development policy in connection with key well-being indicators and alternative/innovative approaches based on inter-regional relations between the EU and ASEAN.

CHAPTER II

WHY WELL-BEING? AND ITS SIGNIFICANCE IN THE STUDY OF INTER-REGIONAL RELATIONS BETWEEN THE EU AND ASEAN

“For as it is not one swallow or one fine day that makes a spring, so it is not one day or a short time that makes a man blessed and happy.” Aristotle

In general, when asked about ‘well-being’, most people often come up with an answer and a definition related to wealth in terms of material possession and how familiar they feel when dealing with social expectation such as social status and honor in which a person presently holds. That statement could be viewed as a personal level of definition. However, the concept of well-being possesses a broader level of meanings where people have different approaches to defining well-being. This creates the situation in search of which definition is the most appropriate term to cover the whole spectrum and perspective of well-being, as a result it can help analyze and explain overall social and economic interconnectedness. Also, it can be in a better position to address issues concerning inter-regional relations.

Considering an international front where regional interaction occurs in many areas especially in the realm of economic engagement, trade, cooperation, to name but a few. There is a need to settle a compromising norm to help investigate the well-being in the inter-regional relations context between ASEAN and the EU.

2.1 Definition of well-being and related terms

To begin with, the infamous Greek philosopher, who is highly regarded as one of the greatest thinkers and philosophers of all times, Aristotle, came up with the concept of ‘Eudaimonia’ or commonly translated

as 'happiness' but a closer and more accurate translation is 'human flourishing' or 'well-being'. Aristotle defines 'Eudaimonia' as follows:

"Let us resume our inquiry and state, in view of the fact that all knowledge and every pursuit aims at some good, what it is that we say political science aims at and what is the highest of all goods achievable by action. Verbally there is very general agreement; for both the general run of men and people of superior refinement say that it is happiness, and identify living well and doing well with being happy; but with regard to what happiness is they differ, and the many do not give the same account as the wise..."⁵⁹

Furthermore, Aristotle explains in Nicomachean Ethics, Book 1, Chapter 8, about the characteristics of happiness, which later appears to be the cornerstone of subjective well-being and objective well-being concept. It partly reads as follows:

"The characteristics that are looked for in happiness seem also, all of them, to belong to what we have defined happiness as being. For some identify happiness with virtue, some with practical wisdom, others with a kind of philosophic wisdom, others with these, or one of these, accompanied by pleasure or not without pleasure; while others include also external prosperity. Now some of these views have been held by many men and men of old, others by a few eminent persons; and it is not probable that either of these should be entirely mistaken, but rather that they should be right in at least some one respect or even in most respects..."⁶⁰

⁵⁹ Nicomachean Ethics by Aristotle. The Internet Classics Archive by Daniel C. Stevenson, Web Atomics. Retrieved from <<http://classics.mit.edu/Aristotle/nicomachaen.mb.txt>>. Accessed on 1 July 2016.

⁶⁰ Ibid.

Let's look at different definitions of well-being according to different sources.

The Oxford Learners Dictionaries defines well-being as “general health and happiness.”⁶¹ While Merriam-Webster provides the definition as “the state of being happy, healthy, or prosperous”⁶², Wordreference.com gives a definition of well-being as “the condition of being contented, healthy, or successful; welfare.”⁶³

When put these definitions altogether, ‘well-being’ can be conceptualized as how positive conditions and experience of which people can reflect upon. Alternatively, many people may be familiar with the term of ‘life satisfaction’, ‘happiness’, and ‘quality of life’ in addition to the term ‘well-being’. Therefore, it is worth looking at these terms as follows.

2.1.1 Life Satisfaction

Life satisfaction, according to a research entitled ‘The study of life satisfaction’ conducted by Ruut Veenhoven, means “the term ‘quality of life’, which denotes two meanings: 1) the presence of conditions deemed necessary for a good life; and 2) the practice of good living as such. When used at the societal level, only the former meaning applies. When we say that the quality of life of the people in a country that is poor, we mean that essential conditions are lacking, such as sufficient food, housing and health care. In other words, the country is not ‘liveable’ for its inhabitants. At the individual level, the term quality of life can take on both meanings.”⁶⁴

⁶¹ Oxford Learners Dictionaries. Retrieved from <<http://www.oxfordlearnersdictionaries.com/definition/english/well-being>>. Accessed on 2 July 2016.

⁶² Merriam-Webster. Retrieved from <<http://www.merriam-webster.com/dictionary/well-being>>. Accessed on 2 July 2016.

⁶³ Wordreference.com. Retrieved from <<http://www.wordreference.com/definition/condition>>. Accessed on 2 July 2016.

⁶⁴ Ruut Veenhoven. The study of life satisfaction. Retrieved from <<https://personal.eur.nl/veenhoven/Pub1990s/96d-full.pdf>>. Page 3. Accessed on 4 July 2016.

Life satisfaction may sound irrelevant when discussing it within the traditional context of Political science and Inter-regional relations. When considering psychology in relation to life satisfaction, it can be said that both are more mutually connected than Political science and Inter-regional relations would be with life satisfaction. In fact, life satisfaction plays a key role in everyday life as it is the aim of life. Therefore, political domain and inter-regional sphere are in a position to address people's needs according to life satisfaction concept. In addition, the bottom-up approach as promoted by life satisfaction is a challenge to any government, organization and regional cooperation to fulfil citizens' needs and/or demands. Conditions and development gaps exist in developed and developing countries are critical variables and thus help identify how life satisfaction is met. In addition, any public policy can be seen as a tool to reach an objective of human goal according to life satisfaction.

On the one hand, life satisfaction can involve the way people evaluate their lives and how they feel about their directions and options for the future. In this regard, life satisfaction can be a measure of well-being and may be assessed in terms of mood, satisfaction with relations with others and with achieved goals, self-concepts, and self-perceived ability to cope with daily life. It is having a favorable attitude of one's life as a whole rather than an assessment of current feelings. On the other, life satisfaction can be measured in relation to economic standing, amount of education, experiences, and residence, as well as many other indicators.

2.1.2 Happiness

With regard to happiness, Aristotle defines it as follows: *"Happiness is the meaning and the purpose of life, the whole aim and end of human existence."*⁶⁵

⁶⁵ What is happiness? Retrieved from <<http://www.lifeoptimizer.org/2008/07/03/what-is-happiness-10-definitions-of-happiness/>>. Accessed on 7 July 2016.

Happiness means “a) a state of well-being and contentment and b) a pleasurable or satisfying experience” according to Merriam-Webster dictionary.⁶⁶

Interestingly, the website named ‘Happiness International’ defines happiness as “happiness is when your life fulfills your needs. In other words, happiness comes when you feel satisfied and fulfilled. Happiness is a feeling of contentment that life is just as it should be. Perfect happiness, enlightenment, comes when you have all of your needs satisfied.”⁶⁷

The United Nations took this matter seriously and officially announced the International Day of Happiness and encouraged all to celebrate this day on 20th of March every year since the adoption of Resolution 66/281 on International Day of Happiness by the General Assembly on 28 June 2012.

Major principles in this Resolution clearly state that “...conscious that the pursuit of happiness is a fundamental human goal, recognizing the relevance of happiness and well-being as universal goals and aspirations in the lives of human beings around the world and the importance of their recognition in public policy objectives, recognizing also the need for a more inclusive, equitable and balanced approach to economic growth that promotes sustainable development, poverty eradication, happiness and the well-being of all peoples...”⁶⁸ This Resolution extends the spirit of Resolution 65/309 on Happiness: towards a holistic approach to development, which was adopted by the General Assembly on 19 July 2011.⁶⁹ Also, there is an official and dedicated website of happiness, which is <http://www.happinessday.org/> and this orchestrates with the UN Agenda 2030.

⁶⁶ Happiness. Retrieved from <<http://www.merriam-webster.com/dictionary/happiness>>. Accessed on 10 July 2016.

⁶⁷ What is happiness? A definition of happiness. Retrieved from <<http://happinessinternational.org/what-is-happiness/#sthash.F6lPiCMF.dpuf>>. Accessed on 11 July 2016.

⁶⁸ UN. Resolution 66/281 on International Day of Happiness. Retrieved from <<http://www.happinessday.org/wp-content/uploads/2015/11/UN66281.pdf>>. Accessed on 13 July 2016.

⁶⁹ UN. Resolution 65/309 on Happiness: towards a holistic approach to development. Retrieved from <<http://www.happinessday.org/wp-content/uploads/2015/11/UN65309.pdf>>. Accessed in 13 July 2016.

2.1.3 Quality of Life (QOL)

The Organization for Economic Cooperation and Development (OECD) provides the meaning of quality of life as “economic resources, while important, are not all matters for people’s well-being. Health status, human contact, education, jobs, environmental quality, civic engagement, governance, security and free time are all fundamental to our quality of life, as are people’s subjective experiences of life-including, for example, their feelings, and emotions, and their satisfaction with life as a whole. Measuring quality of life requires looking at all these elements at the same time: economic and non-economic, subjective and objective, as well as averages and disparities across population groups.”⁷⁰

Quality of life (QOL) is also “the general well-being of individuals and societies, outlining negative and positive features of life. It observes life satisfaction, including everything from physical health, family, education, employment, wealth, religious beliefs, finance and the environment.”⁷¹

The World Health Organization (WHO) defines quality of life as “individuals’ perception of their position in life in the context of the culture and value systems in which they live and in relation to their goals, expectations, standards and concerns. It is a broad ranging concept affected in a complex way by the person’s physical health, psychological state, level of independence, social relationships, personal beliefs and their relationship to salient features of their environment.”⁷²

Overall, the concept of well-being, life satisfaction, happiness and quality of life are all interrelated. They share a common ground in which each individual seeks to fulfill his/her aim in life in addition to the means to reach it. In addition, governments, international organizations and regional institutions have increasingly recognized the importance of these issues in addition to collectively promoting them as a key value and goal.

⁷⁰ OECD. Measuring well-being and progress. Retrieved from <<http://www.oecd.org/std/Measuring%20Well-Being%20and%20Progress%20Brochure.pdf>>. Page 6. Accessed on 3 August 2016.

⁷¹ Quality of life. Retrieved from <https://en.wikipedia.org/wiki/Quality_of_life>. Accessed on 7 August 2016.

⁷² WHO. Measuring quality of life. Retrieved from <http://www.who.int/mental_health/media/68.pdf>. Accessed on 7 August 2016.

2.2 Well-being in Concept and Practice

The New Economics Foundation (NEF) defines 'well-being' in the shortest term as "how people experience their lives and flourish."⁷³ NEF also proposes what people in general choose does not necessarily explain what makes life worthwhile. NEF carries on to explain further that well-being depends on access to the things that *do* make life worthwhile, and if policy has well-being as its objective, then it will be designed to help as many people as possible to access those things.⁷⁴

The foundation of this belief can be echoed in two general terms. The former is all states are responsible for producing a good life for their citizens. The latter is ability to gain access to well-being. However, there is a lack of clear correlation of what kind of things one must possess and to what extent of things that can be put under the term 'well-being.'

Therefore, indicators and measures to help explain and indicate what well-being really means and how one can measure have been developed by NEF. According to the document entitled 'Measuring well-being in policy: issues and applications' argues different approaches that a government can choose measures and indicators from in order to make policy more applicable to its citizens.⁷⁵ At personal level, well-being can be considered as subjective measure or individual subjective well-being. Subjective well-being measures for each individual reflect thought, emotion, feeling and motivation.⁷⁶ One role of government is to protect the well-being of citizens. Contradictorily, individual choices and expectations go far beyond the legitimate role of the state. However, states are expected to 'protect the rights of individuals and acts in his/her interests.'⁷⁷

⁷³ NEF. Our work: well-being. Retrieved from <<http://www.neweconomics.org/issues/entry/well-being>>. Accessed on 10 July 2016.

⁷⁴ NEF. What do we mean by 'well-being'? Retrieved from <<http://www.neweconomics.org/blog/entry/what-do-we-mean-by-well-being>>. Accessed on 10 July 2016.

⁷⁵ NEF. Measuring well-being in policy: issues and applications. Retrieved from <http://b.3cdn.net/nefoundation/575659b4f333001669_ohm6iioqp.pdf>. Accessed on 12 July 2016.

⁷⁶ Ibid. Page 13.

⁷⁷ Ibid. Page 14.

To address this issue, NEF develops a broader approach to well-being measurement at national policy context, these are

1. *Universal. Headline information about general well-being at a population level that can be used as a basis for more detailed exploration.*
2. *Domain. Information about understanding how people feel in relation to different aspects or dimensions of their lives; for example, health, community safety, economic circumstances.*
3. *Targeted. Rich information about the psychological well-being of people identified as vulnerable or in need of specialized services.*

This can be illustrated in the figure shown below:

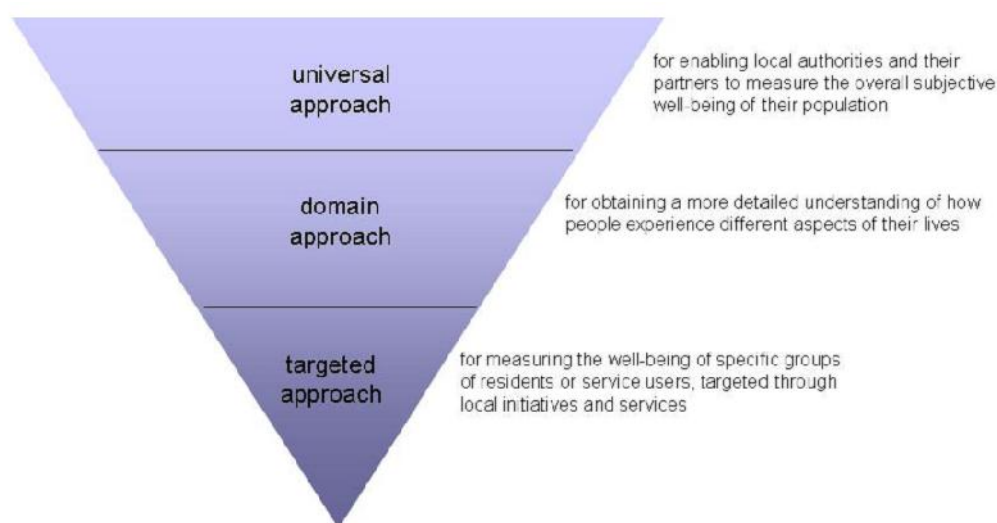


Figure 2.1: A Tripartite schema for measuring well-being at the local level

Source: NEF. Measuring well-being in policy: issues and applications

Most research conducted worldwide focus on well-being at both individual level and community level whereas the interaction between international players, i.e. the EU and ASEAN is generally considered a bigger scope and thus it requires a greater effort to understand well-being at inter-regional relations level. As a result, it is vertically and horizontally challenging to the existing knowledge of well-being.

While an individual's well-being or subjective well-being is fulfilled, well-being at region to region relations may not follow suit. Although national policy and aim of many countries leading towards more meaningful indicators than before, many still look for alternative approach to complement the traditional GDP.

Therefore, to argue in a more practical term, it is worth looking at the meaning and determinants of subjective well-being (SWB). Ki-Hoon Jun's research entitled "Re-exploration of subjective well-being determinants: Full-model approach with extended cross-contextual analysis", mentioned that "the full model approach, which takes account of the widest range of control variables" offers accurate estimation of variables across studies.⁷⁸

The central relevance of the full model approach is apt to analyze joint effects of broad ranged economic, social, and cultural variables. Although the full model approach helps provide a clearer picture to support subjective well-being in addition to well-being and life satisfaction, forms of collaboration at international level has not been taken into account.

Income and wealth can be seen as a form of well-being in a very basic sense. This brought to a question of how much more a person wants. The argument made by Amartya Sen, justifying that income and wealth "are admirable general-purpose means for having more freedom to lead the kind of lives we have reason to value", as mentioned in his famous book 'Development as Freedom.'⁷⁹

As a result, the term of 'well-being', 'quality of life' and 'freedom' are interchangeably focused by Amartya Sen since the importance is placed on the ends and means of development. It is clear that economic growth or GDP is not regarded as an end in itself. To simply put, development is more concerned with one's live enhancement and the freedoms one enjoys.⁸⁰

The concept of development can be related to evaluation and effectiveness of the role of freedom. Therefore, having greater freedom to do things can result in person's overall freedom and person's opportunity to have valuable outcomes.⁸¹

⁷⁸ Jun, K-H. Re-exploration of subjective well-being determinants: Full-model approach with extended cross-contextual analysis. *International Journal of Wellbeing*, 5 (4), 2015. Page 17-59.

⁷⁹ Amartya Sen. *Development as Freedom*. Random House, Inc. USA. 1999. Page 14.

⁸⁰ Ibid.

⁸¹ Ibid. Page 18.

Nonetheless, the role of income and wealth is still important. The deprivation of individual capabilities can be put as follows: low income as a major reason for illiteracy, ill health, hunger and undernourishment. On the other hand, better education and health help in the earning of higher incomes. However, they need to be integrated into a bigger view and broader picture of success and deprivation for a better understanding.⁸²

The interconnection between economic growth, which is borne from economic activities and social safety nets, is the central concern of development. Mr. Sen argues that “economic growth can help not only in raising private incomes but also in making it possible for the state to finance social insurance and active public intervention.”⁸³

This is worth noting that the concept of trade prosperity cannot be judged by the increase of private incomes alone, but by the expansions and provisions of social services as well. This can be seen in a concrete term of public services through health, education and employment creation and contribution as basic needs for the citizens in any state.

In addition, Sen’s approach contributes to the balance of well-being achievement as Sen’s claim is that well-being can be viewed in terms of the totality of beings and doings when a person actually achieves. It reflects a person’s real opportunities or positive freedom of choice between possible lifestyles.

Therefore, there is no doubt that individual capabilities approach to reach ‘freedom’, as the end and the means of development, depending on economic, social and political arrangements.⁸⁴ In short, it is a matter of perspective, which is focused on ‘human-centered development’. However, Sen puts it as ‘freedom-centered perspective’. Amartya Sen’s concept is widely known as ‘capability approach’ or ‘CA’ in short, and is internationally used as one of the solid foundations for the study of well-being.

Another approach that is widely accepted by academics in complementing Sen’s CA is that of Equality of Opportunity (EoP) by John Roemer. Given the nature of well-being is multi-dimensional, CA focuses on individual capability to achieve a person’s outcome whereas EoP concentrates on opportunity in which a situation that presents itself to a person in making use of it upon his/her own efforts and skills to achieve a

⁸² Ibid. Page 20.

⁸³ Ibid. Page 40.

⁸⁴ Ibid. Page 53.

certain outcome or lifestyle. As a result, opportunities are indeed not individual but they are regarded as common to a group of individuals that share the same circumstances.⁸⁵

It is arguably clear that each individual always seeks opportunities to reach his/her own outcomes and goals. In this regard, it is worth noting that the differences and variables are efforts that a person can contribute to form sets of capabilities.

One aspect of well-being, which is publicly recognized, can materialize the ability to contribute to social justice when designing public policies. Therefore, public policies should foster equality of opportunity.⁸⁶

Although public policies may be applied at local and national levels, a nation's foreign policy and diplomacy can play their roles at international and global levels as well. In essence, they reflect the nation's interest in pursuing and achieving means and outcomes of a country in a wider scope concerning international sphere.

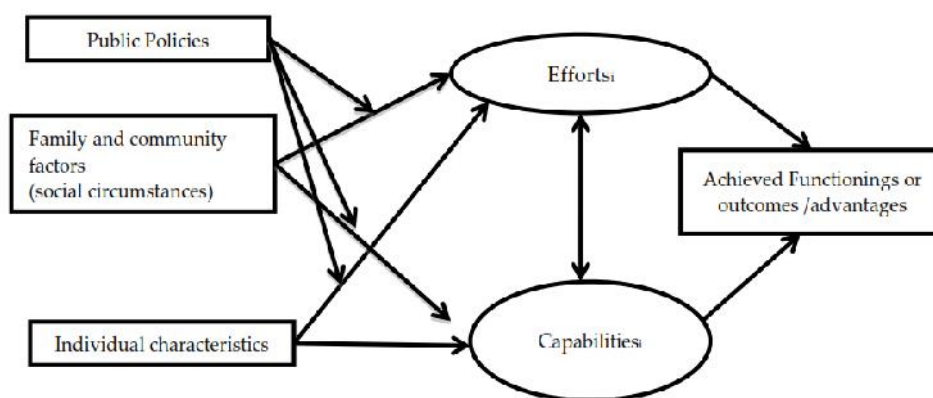


Figure 2.2: Scheme of a Capability Approach-Based Equality of Opportunity Framework

Source: Public policies for wellbeing with justice: A theoretical discussion based on capabilities and opportunities. International Journal of Wellbeing, 2015.

⁸⁵ Krishnakumar, J., & Nogales, R. Public policies for wellbeing with justice: A theoretical discussion based on capabilities and opportunities. International Journal of Wellbeing, 2015. Page 44-62.

⁸⁶ Ibid. Page 53.

Considering the diagram shown in Figure 2.2, CA and EoP approaches help contribute to the fact that justice and policymaking for well-being should be mutually strengthened at each level of circumstances, ranging from individual, community and the general public. The emphasis is placed on the process rather than the achieved outcomes. This can be concluded that well-being can be characterized in the justice of public policy as well as foreign policy.

As a result, achieved outcomes and/or functionings will meet the capabilities of individual and the general public in addition to social justice paradigm in the long term.⁸⁷ This might as well provide a signal towards sustainability management of well-being.

2.2.1 Subjective well-being (SWB) and Objective well-being (OWB)

A research paper entitled 'Subjective and Objective well-being in relation to economic inputs: Puzzles and Responses', Des Gasper observed the term 'subjective well-being' or 'objective well-being' that both must be used with care and 'what matters is having a choice, having more choice, getting one's choice'.⁸⁸

In general, subjective well-being reflects one's own feeling whereas objective well-being refers to valued functioning aspect. Interestingly, Des Gasper viewed the concept of well-being as "an evaluation of a person's situation, or, more fittingly, an evaluation which is focused on the quality of the person's being'. Well-being is thus a vague concept that can span various aspects of life and is subject to normative debate, rather than a sharply and consensually defined single thing. Arguably, 'well-living' would be a better label; more active and indicating that there are diverse relevant aspects so that label is an umbrella for a variety of matters."⁸⁹

⁸⁷ Ibid. Page 59.

⁸⁸ Des Gasper. Subjective and objective well-being in relation to economic inputs: Puzzles and responses. Retrieved from <<http://www.eldis.org/vfile/upload/1/document/0708/DOC19074.pdf>>. Page 4. Accessed on 2 August 2016.

⁸⁹ Ibid. Page13.

Des Gasper also offered a model depicting the correlation of subjective well-being, objective well-being and economic inputs in addition to other inputs, which was prescribed below;

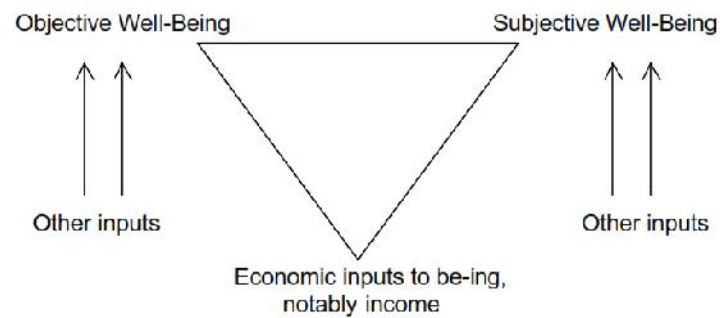


Figure 2.3: The Puzzle Triangle

Source: Des Gasper. Subjective and objective well-being in relation to economic inputs: Puzzles and responses. 2004.

In addition, Des Gasper presented 'Diverse interpretations of the puzzle triangle', which can help explain the relationship between subjective well-being, objective well-being and economic inputs as Figure 2.4 shown below.

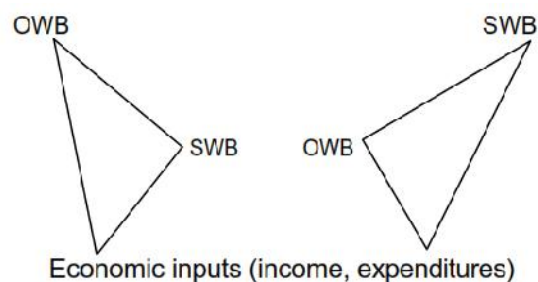


Figure 2.4: Diverse interpretations of the puzzle triangle

Source: Des Gasper. Subjective and objective well-being in relation to economic inputs: Puzzles and responses. 2004.

To interpret Figure 2.4, economic inputs like income or expenditures factors can have an impact on either subjective well-being or objective well-being. Let's take income to be considered in the following scenario. If a person gains more income, is he/she likely going to feel happier? The general answer would be a 'yes' just like an achievement in climbing the ladder of career path and remuneration. Then again, to what extent is a limit for a person to fulfill subjective well-being? Where is the break point? What are the discrepancies between SWB and OWB when putting income or expenditure in this logic? What if a person is unemployed or sick or robbed or abused, and so on, would a state of well-being of that person not change in response to the situation he/she is facing? As a result, socio-economic factors must be considered in this calculation.

According to Des Gasper, "on the whole, the rich in each country are reportedly happier than the poor, even if not dramatically and uniformly so; yet rich countries are little or no happier than middle-income ones. This suggests that richer people enjoy their relative position, and that felt satisfaction is influenced by the extent of desires, while ever-new desires emerge."⁹⁰

Des Gasper also cited activist's concept of well-being as "the values for being, involves in this stance not comfort and rest but restless striving; even striving for causes which one knows will not bring satisfaction and instead risk conflict, dissatisfaction and destruction, but which avoid boredom, provide excitement and drive forward experimentation and the selection of the fittest. Well-being is interpreted not as much-having, as in an opulence perspective, but as much-doing: an endless dance of creating and destroying."⁹¹

This concept is strongly in line with the confirmation of why the interaction of a state vis-à-vis a state and blocs versus blocs is highly given a top priority when trading and cooperating for national interests. Therefore, a conclusion using income and expenditure to measure economic welfare is insufficient. Hence, region to region relations need more holistic approaches and sets of explanation to analyze, understand and examine the complexity and challenging situations facing the interaction in question.

⁹⁰ Ibid. Page 10.

⁹¹ Ibid. Page 24.

Another approach related to the measurement of well-being contains in a research paper entitled 'Participatory Approaches and the Measurement of Human Well-being' by Sarah White and Jethro Pettit. It offered participatory methods in international development.

The authors claimed that by "incorporating participation in the processes of policymaking, administration and research the outcome could become more inclusive, more responsive, more equitable, and so represent more fully the interests of 'the people' they claim to serve."⁹² This paper presented a participation method which seeks rural participation which eventually can be assessed through participatory rural appraisal (PRA) as opposed to the conventional view where external experts hired from somewhere else to come in and evaluate the situations faced by rural people. The result and findings of research often end up with bias and inappropriate solutions.

Local knowledge is therefore given priority and valued; this ensures that "participatory research was seen as a means to empower disadvantaged people through giving them tools of analysis and awareness."⁹³ Participatory approach is potentially useful since it contributes to the "understanding of well-being in its capacity to draw out culture, location and social group-specific understandings of the dimensions of well-being."⁹⁴ On top of that, it reflects "local categories of value and assessment."⁹⁵

There is also an opposite side of well-being, which is 'ill-being.' To illustrate, when asked two groups of respondents living in two different environments, those who live in a rural area "placed an emphasis on food security in their definitions of poverty, ill-being and vulnerability, as well as lack of work, money and assets. They also emphasized the vulnerability of particular groups within the community: the old, the disabled, female-headed households and those living alone, isolated from social networks. The definitions of those in an urban setting place far more emphasis on the immediate living environment: crowded and

⁹² Sarah White and Jethro Pettit. Participatory Approaches and the Measurement of Human Well-being. Retrieved from <<http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.518.5327&rep=rep1&type=pdf>>. 2004. Page 3. Accessed on 13 August 2016.

⁹³ Ibid. Page 6.

⁹⁴ Ibid. Page 13.

⁹⁵ Ibid. Page 18.

unsanitary housing, lack of access to water, dirty and dangerous streets and violence both within and outside the household.”⁹⁶

However, there is still a need for a larger scale research in order to receive more data when it comes to locating international attempt in finding well-being indicators. Some other concerns are such as generic differences between the worldviews of policymakers and ‘the poor, particularly to the complexity, and multi- and inter-dimensionality of the problems that poor people deal with, and the recognition of this must be given its importance.’⁹⁷

Moreover, the conclusion of this paper challengingly suggested that “a participatory approach in connection with notions of well-being must include local social and cultural values and meanings, as well as the subjective perceptions of individuals and groups.”⁹⁸ Also, one should be able to raise a question “Does more development bring a greater well-being? And the capacity to answer that question confidently.”⁹⁹ That is the key to measurable quality of life and well-being.

Take one example from one of ASEAN Member States, Thailand, as discussed in the research paper entitled ‘Exploring the relationship between happiness, objective and subjective well-being: Evidence from rural Thailand’, by Mònica Guillén Royo and Jackeline Velazco. Basic needs satisfaction for people living in rural Thailand consists of health, education, housing, food, connections, wealth, and long-term shocks.¹⁰⁰

The result of this research, found that “what makes people happy and satisfied is not far from what an assessment of their situations following the normative theory of basic needs would imply.” Also, one cannot ignore the fact that “satisfiers are obviously diverse and different across cultures; however the

⁹⁶ Ibid. Page 14.

⁹⁷ Ibid. Page 29.

⁹⁸ Ibid. Page 30.

⁹⁹ Ibid. Page 30.

¹⁰⁰ Mònica Guillén Royo and Jackeline Velazco. Exploring the relationship between happiness, objective and subjective well-being: Evidence from rural Thailand. Retrieved from <<http://www.bath.ac.uk/soc-pol/welldev/spa-presentations/guillen-velazco.pdf>>. 2005. Page 10. Accessed on 15 August 2016.

underlying basic and intermediate needs appear to have an impact in people's self-reported happiness and satisfaction."¹⁰¹

It is worth noting that this study was conducted in 2005, the current situation may have changed slightly or considerably depending on further research outcome since comparing universal determinants of well-being vis-à-vis local accounts of well-being is still a challenging task and incongruity.

To elaborate more about well-being and ill-being concept, a working paper entitled 'Well-being in Developing countries: conceptual foundations of the WeD Programme' by Ian Gough, J. Allister McGregor and Laura Camfield offered a comprehensive approach and conceptual foundation.

This paper takes objective well-being to be in line with international development. Human development reflects "the objective of international development and could be described as the creation of conditions where all people in the world are able to achieve well-being"¹⁰², as we already witnessed an evidence of efforts at global level and that is the Millennium Development Goals (MDGs) and Sustainable Development Goals (SDGs).

To understand the states of well-being and/or ill-being, one must realize that they are continually produced in "the interplay within the social, political, economic and cultural processes of human social being. Therefore, not only can well-being and/or ill-being be apprehended just as an outcome, but also as a process."¹⁰³ At an international level, it is important to note that well-being notion created an impact on the thinking of dependent thinking by reducing economic dependence of developing countries on the West.¹⁰⁴

¹⁰¹ Ibid. Page 29.

¹⁰² Ian Gough, J. Allister McGregor and Laura Camfield. Well-being in Developing countries: conceptual foundations of the WeD Programme. Retrieved from <http://www.bath.ac.uk/soc-pol/welldev/research/workingpaperpdf/wed19.pdf>. 2006. Page 4. Accessed on 20 August 2016.

¹⁰³ Ibid. Page 5.

¹⁰⁴ Ibid. Page 9.

However, statistics of trade and development between the EU and ASEAN for the past few years indicated that trade and development policy and practice still play a crucial role in developing trade relations and development cooperation.

Universal satisfier characteristics or so-called intermediate needs for short can be grouped into eleven categories. These are as follows: adequate nutritional food and water, adequate protective housing, non-hazardous work and physical environments, appropriate health care, security in childhood, significant primary relationships, physical and economic security, safe birth control and childbearing, and appropriate basic and cross-cultural education.¹⁰⁵

Let's consider anthropological point of view, 'things that people do carries meaning for them and that it reflects what people value, both in terms of outcomes and the processes that they try to achieve those outcomes.'¹⁰⁶

From this research paper, the authors also discussed well-being in different terms like life- satisfaction, quality of life or happiness, which have been used by different researchers who are interested in the field of well-being and its approaches. However, they have given importance on social and cultural aspects as well in which the term 'social capital' is used to help expand how socially and culturally constructed is undeniably important to the study of well-being. One view towards a consequence of life satisfaction is that "a person's subjective happiness and life satisfaction impacts strongly and positively on success in the major domains of life, notably love, work and health."¹⁰⁷

In sum, the importance and connection of subjective well-being and objective well-being is undeniably important. According to a research paper entitled 'Measuring Objective Well-Being and Sustainable Development Management' by Anita Frajman Ivkovic et al., which offers a balanced analysis of well-being as objective well-being, well-being can be considered as equivalent to economic development since it

¹⁰⁵ Ibid. Page 15.

¹⁰⁶ Ibid. Page 22.

¹⁰⁷ Ibid. Page 30-31.

provides objective living conditions. The authors concluded that “it is necessary of monitoring and quantification of objective well-being in the dimension of economic sphere and a non-economic area by means of analyzing selected indicators from dimensions, reflecting different coverage and leading to different levels of overall objective well-being.”¹⁰⁸

Let's look at Figure 2.5, which depicts the 'Dimensions of well-being.'

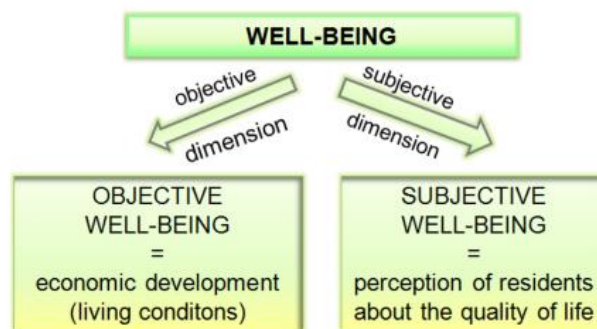


Figure 2.5: Dimensions of well-being

Source: Anita Frajman Ivkovic et al. Measuring Objective Well-Being and Sustainable Development Management. 2014.

As can be seen from the above figure, it is essential to use both subjective well-being and objective well-being to monitor or evaluate conditions of life. Anita pointed out that the objective well-being and how to measure it can be reached by using hard data. This can receive from external view of well-being and is measured by statistic indicators. It is necessary to say that although the increase of GDP or income may show the performance of a state's economic growth, it does not totally correspond with economic development.

¹⁰⁸ Anita Frajman Ivkovic et al. Measuring Objective Well-Being and Sustainable Development Management. Retrieved from <http://www.scientificpapers.org/wp-content/files/1443_FRAJMAN_IVKOVIHAMMIJO-Measuring_Objective_Well-Being_and_Sustainable_Development_Management.pdf>. 2014. Page 1. Accessed on 1 September 2016.

Objective well-being, which reflects both economic and non-economic factors, therefore, should consider factors like complexity, volatility, and ambiguity of the modern world as well.¹⁰⁹

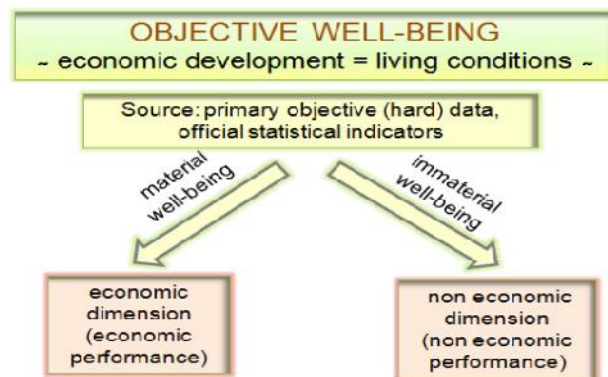


Figure 2.6: Dimensions of Objective well-being

Source: Anita Frajman Ivkovic et al. Measuring Objective Well-Being and Sustainable Development Management. 2014.

If one considers well-being based on GDP solely, there seems to be insufficient and limited quality of data and information. Although GDP is normally recognized by states, regions, local bodies, and useful for economic policies, relying on this measure alone cannot reflect the overall performance of a society and economic development, which has a broader sense than that of economic wealth.

2.2.2 Non-economic Dimensions of Objective Well-being

Alternatively, other non-economic dimensions of well-being are introduced as follows:

¹⁰⁹ Ibid. Page 9.

2.2.2.1 Genuine Progress Indicator (GPI) – an indicator adjusting GDP



Figure 2.7: Economic, social and environmental components of the GPI

Source: Anita Frajman Ivkovic et al. Measuring Objective Well-Being and Sustainable Development Management. 2014.

The Genuine Progress Indicator (GPI) was initially created in 1995 as one of the first alternatives to GDP by a non-governmental think-tank organization, Redefining Progress, based in USA. This index helps policymakers at national, state, regional and/or local levels to measure how their citizens live in economic and social terms. The aim of GPI is to measure the well-being of USA in addition to the quality of life, by not focusing only the aspects of economic results and transactions.¹¹⁰

¹¹⁰ Ibid. Page 14.

2.2.2.2 Human Development Index (HDI) – an indicator replacing GDP

The Human Development Index or HDI is regarded as one of the most popular alternative measures of economic development. The HDI measures quality of life and its result is interpreted by an aggregate measure of the progress of a country which has three basic dimensions of human development. These are 1) a long and healthy life (expected average length of life); 2) education/knowledge (adult literacy rate and the rate of participation in primary, secondary and tertiary education); and 3) a decent standard of living/ income (at purchasing power parity). These three dimensions in combination with four indicators are employed to form a basis for calculation of HDI.¹¹¹

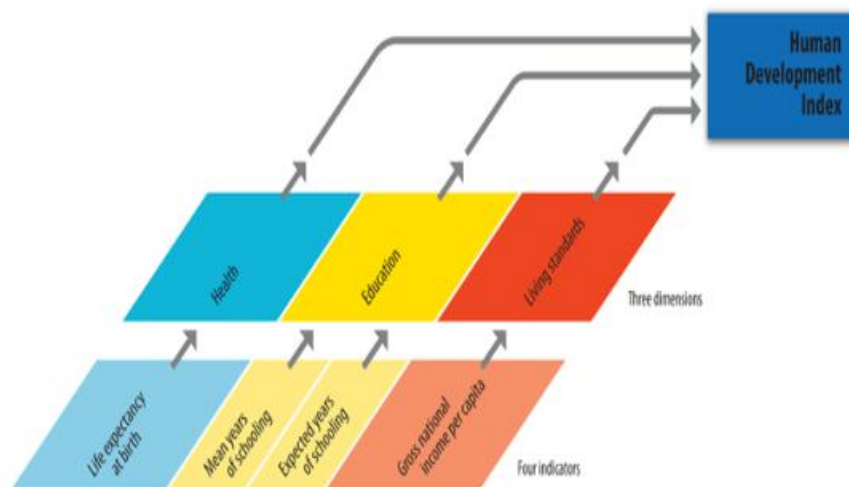


Figure 2.8: Components of Human Development Index

Source: UNDP

¹¹¹ Ibid Page 16.

The Global Human Development Index 2015 Report focused on an indispensable connection between work and human development as can be seen from the Figure 2.9. On top of this, the most recent UN's Sustainable Development Goals (SDGs) places an importance on sustainable work as appears in Goal 8, which reads "Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all", among other goals.¹¹²

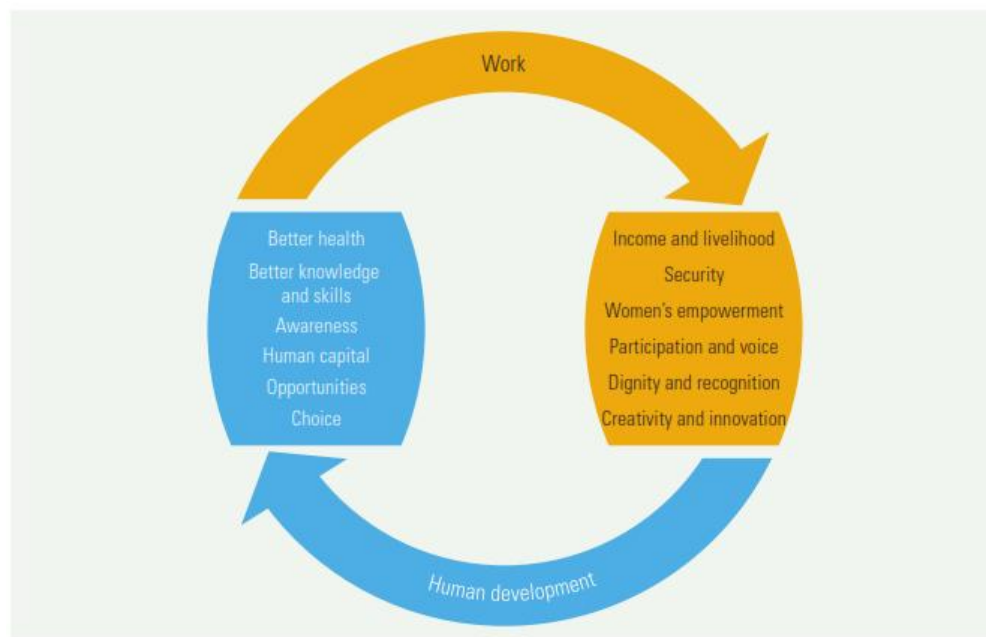


Figure 2.9: Work and Human Development are synergistic

Source: UNDP, 2015

¹¹² UNDP. Work and Human Development are synergistic. Retrieved from http://hdr.undp.org/sites/default/files/2015_human_development_report.pdf. Page 15. Accessed on 20 August 2016.

2.2.2.3 Millennium Development Goals (MDGs) and Sustainable Development Goals (SDGs) – indicators supplementing GDP

The UN released the Millennium Declaration as a key policy document for the 21st century and it was adopted in September 2000 by 189 UN member states, the main priority at that time was to free people from extreme poverty. The document presented 8 major Millennium Development Goals and 48 targets including related activities that were aimed to achieve by 2015. All the 8 goals are as follows, Goal 1: Eradicate extreme hunger and poverty, Goal 2: Achieve universal primary education, Goal 3: Promote gender equality and empower women, Goal 4: Reduce child mortality, Goal 5: Improve maternal health, Goal 6: Combat HIV/AIDS, Malaria and other diseases, Goal 7: Ensure environmental sustainability, and Goal 8: Develop a global partnership for development.¹¹³ However, on 1 January 2016 the UN's 2030 Agenda for Sustainable Development, which was built on the MDGs and expanded into 17 goals and 169 targets altogether, was released as appears below:

Sustainable Development Goals (SDGs)

Goal 1 End poverty in all its forms everywhere

Goal 2 End hunger, achieve food security and improved nutrition and promote sustainable agriculture

Goal 3 Ensure healthy lives and promote well-being for all at all ages

Goal 4 Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

Goal 5 Achieve gender equality and empower all women and girls

Goal 6 Ensure availability and sustainable management of water and sanitation for all

¹¹³ UN. Millennium Development Goals. Retrieved from <<http://www.unmillenniumproject.org/goals/index.htm>>. Accessed on 23 August 2016.

Goal 7 *Ensure access to affordable, reliable, sustainable and modern energy for all*

Goal 8 *Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all*

Goal 9 *Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation*

Goal 10 *Reduce inequality within and among countries*

Goal 11 *Make cities and human settlements inclusive, safe, resilient and sustainable*

Goal 12 *Ensure sustainable consumption and production patterns*

Goal 13 *Take urgent action to combat climate change and its impacts*

Goal 14 *Conserve and sustainably use the oceans, seas and marine resources for sustainable development*

Goal 15 *Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss*

Goal 16 *Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels*

Goal 17 *Strengthen the means of implementation and revitalize the global partnership for sustainable development*¹¹⁴

The concept of sustainable development is also mentioned by Anita, which is worth mentioning here in accordance with Figure 2.10 mentioned below.

¹¹⁴ UN. Sustainable Development Goals. Retrieved from http://www.un.org/ga/search/view_doc.asp?symbol=A/RES/70/1&Lang=E>. Page 14. Accessed on 23 August 2016.

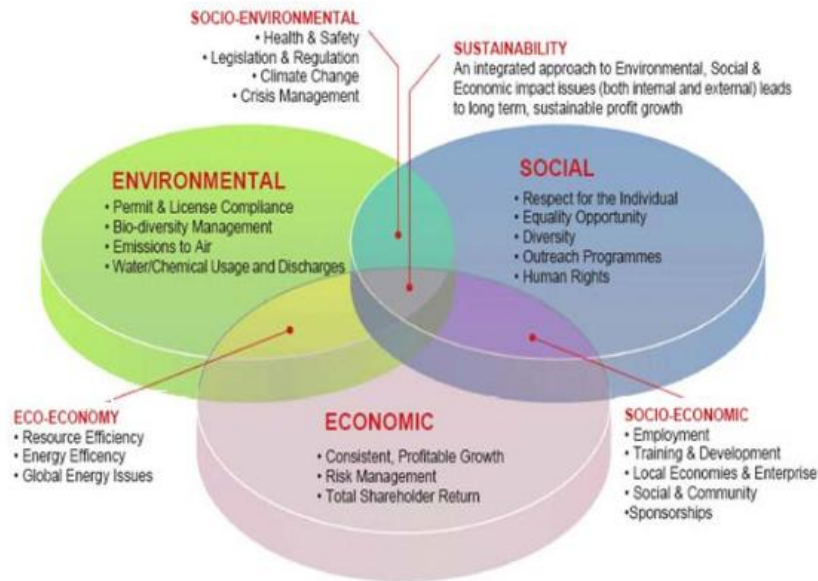


Figure 2.10: Key elements of sustainable development¹¹⁵

Source: Anita Frajman Ivkovic et al. Measuring Objective Well-Being and Sustainable Development Management. 2014.

According to the Figure 2.10, key elements and sub-key elements portrait the holistic picture of sustainable development. Therefore, the concept of sustainable development is closely associated with the expectation to develop a harmonious society oriented towards greater economic prosperity, social cohesion and environmental protection. In addition, sustainable development is associated with qualitative rather than with quantitative growth. However, one should be aware that it is easier said than done, as the actual state of the economy does not often correspond to the imagined and fabricated conceptual framework or theoretical perspective since one or more elements of sustainable development achieve more slowly at the expense of another.

¹¹⁵ Anita Frajman Ivkovic et al. Measuring Objective Well-Being and Sustainable Development Management. Retrieved from <http://www.scientificpapers.org/wp-content/files/1443_FRAJMAN_IVKOVIHAMMIJO-Measuring_Objective_Well-Being_and_Sustainable_Development_Management.pdf>. 2014. Page 6. Accessed on 25 August 2016.

For example, considering a trade-off situation, even when a situation of economic and social balance is achieved, a society will not experience real progress as expected if deserted community, broken family, clean air and/or drinking water occurred as a consequence and along the process.¹¹⁶

Therefore, this is a reverse progress and challenge of sustainable development. Anita also reiterated that “in order to achieve sustainable development, it is important to apply a holistic approach to sustainable development as a process and a goal.”¹¹⁷ However, all these well-intentioned agendas and elements seem to fall in utopian concept as opposed to the world of reality where trade-off situations almost always assume its role.

Let's consider the UN's Sustainable Development Goals (SDGs) more closely, it was developed after the MDGs, or widely known as the UN's 2030 Agenda for Sustainable Development, which consists of 17 goals, 169 targets to achieve. The statement on the UN's Preamble of Resolution on 'Transforming our world: the 2030 Agenda for Sustainable Development', which was adopted by the General Assembly, states clearly that “the 17 Sustainable Development Goals and 169 targets which we are announcing today demonstrate the scale and ambition of this new universal Agenda. They seek to build on the Millennium Development Goals and complete what they did not achieve. They seek to realize the human rights of all and to achieve gender equality and the empowerment of all women and girls. They are integrated and indivisible and balance the three dimensions of sustainable development: the economic, social and environmental.”¹¹⁸

¹¹⁶ Ibid. Page 7.

¹¹⁷ Ibid. Page 9.

¹¹⁸ UN. Resolution adopted by the General Assembly on 25 September 2015. Retrieved from http://www.un.org/ga/search/view_doc.asp?symbol=A/RES/70/1&Lang=E. Page 1. Accessed on 27 August 2016.



Figure 2.11: The UN's Sustainable Development Goals (SDGs)

Source: UNDP. UN Sustainable Development Goals.

To enhance the concept of SDGs further, each goal is grouped and matched under the principle of 5Ps, which are People, Planet, Prosperity, Peace and Partnership. In short, the Sustainable Development Goals address five key areas of critical importance for humanity and the planet.

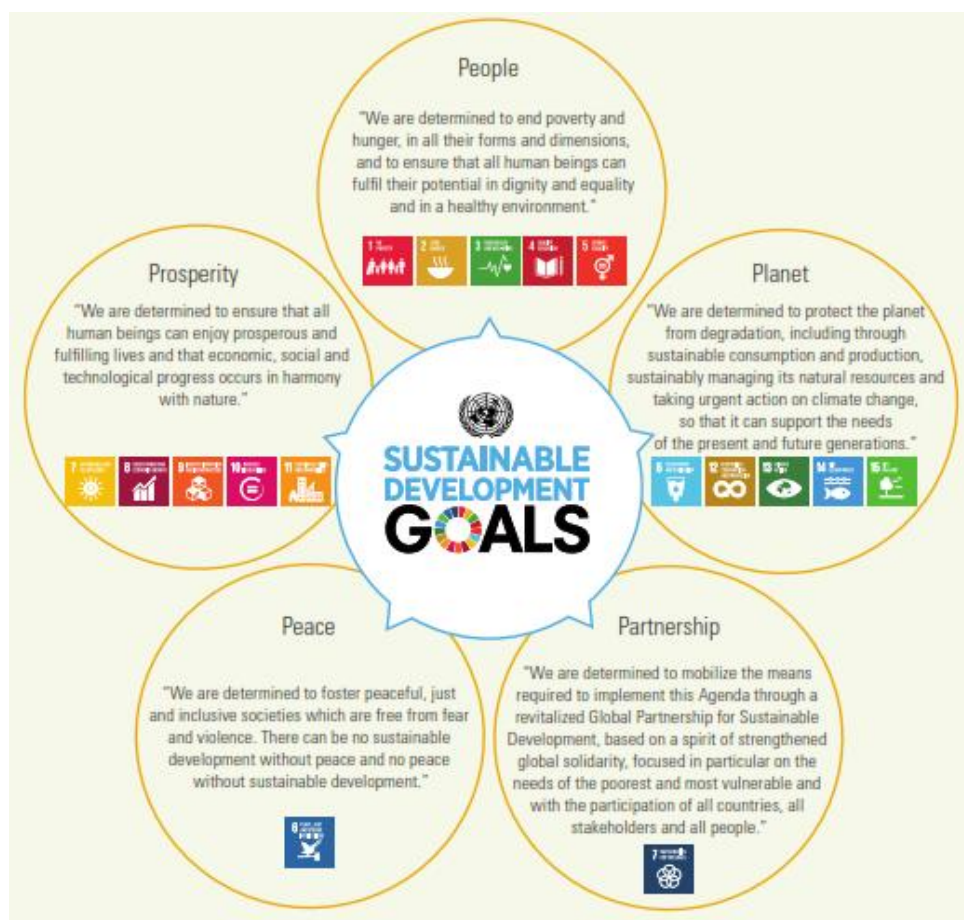


Figure 2.12: The Sustainable Development Goals address five areas of critical importance for humanity and the planet

Source: UNDP. Human Development Report. 2015.

In sum, alternative indices as aforementioned can complement GDP. Subjective well-being basically comprises material living standards (income, consumption), health, education, personal activities including work, political voice and governance, social connections and relationships, environment (present and future conditions) and uncertainty situations like economic and physical nature. Concerning objective well-being, it is necessary to look at both economic and non-economic dimensions when measuring the process, outcome and performance of economic development in addition to considering sustainable development.

Moreover, alternative measures allow the public and policymakers to consider issues and matters with informed decision-making power. As a result, they would be able to make a better choice for local, state, region and with sincere hope that for the global community as a whole. Ultimately, one can look at human development from different dimensions. Popular approach to grouping and measuring them is normally conducted through subjective well-being and objective well-being thereby not only they are associated with health, education, employment and income but also with involvement in shaping development agenda, equality and sustainability.¹¹⁹

2.2.2.4 Social, Economic and Environment Balance by the World Bank

Let's consider another model and set of explanation of sustainable development by the World Bank. Sustainable development is "development that meets the needs of the present without compromising the ability of future generations to meet their own needs. It contains within it two key concepts, 1) the concept of needs, in particular the essential needs of the world's poor, to which overriding priority should be given; and 2) the idea of limitations imposed by the state of technology and social organization on the environment's ability to meet present and future needs."¹²⁰

To elaborate more on this point, the World Bank proposed that in general people are concerned about sustainable development; it suggests that "meeting the needs of the future depends on how well we balance social, economic, and environmental objectives or needs when making decisions today."¹²¹

¹¹⁹ Anita Frajman Ivkovic et al. Measuring Objective Well-Being and Sustainable Development Management. Retrieved from <http://www.scientificpapers.org/wp-content/files/1443_FRAJMAN_IVKOVIHAMMIJO-Measuring_Objective_Well-Being_and_Sustainable_Development_Management.pdf>. 2014. Page 23-25. Accessed on 28 August 2016.

¹²⁰ International Institute for Sustainable Development (IISD). Sustainable development. Retrieved from <<http://www.iisd.org/topic/sustainable-development>>. Accessed on 29 August 2016.

¹²¹ World Bank. What is Sustainable Development? Retrieved from <<http://www.worldbank.org/depweb/english/sd.html>>. Accessed on 29 August 2016.

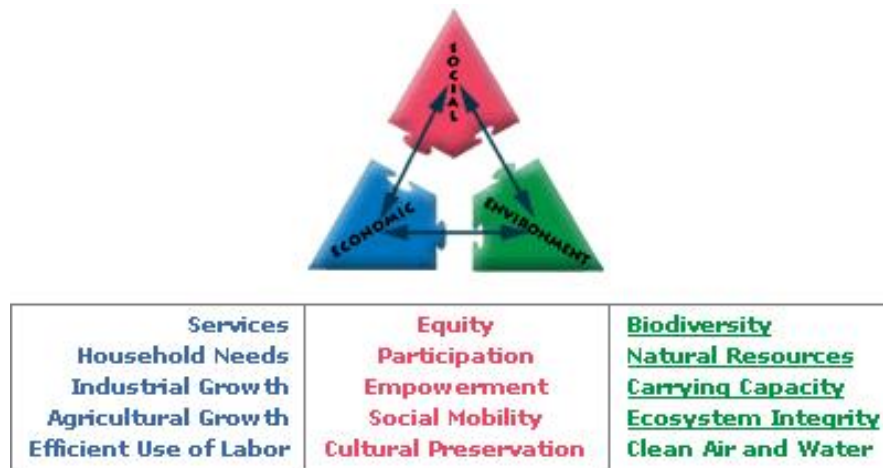


Figure 2.13: Social, Economic and Environment Balance

Source: World Bank. What is Sustainable Development?

After considering different aspects of well-being and ways of measuring it, one may still wonder why well-being still sounds reasonable and does it really complement the existing Gross Domestic Product (GDP) standard?, then how governments around the world can design such policy to bring about change for good? Current situations around the world educate us that not only do we have well-being as one major concern, but we also have other factors mentioned in sustainable development goals to think about when implementing one's own policy at individual level in addition to formulating policy at national level.

2.2.3 Design of policy with well-being for social prosperity

This section will discuss possible effort for the design of policy, which includes well-being as the core and ultimate aim for the general public benefits.

It is widely known as a basic fact that policymakers and decision makers use indicator of progress to help design policy and evaluate performance. Still, there is a wide concern over GDP that it only measures the total market value of the goods and services produced by a nation's economy during a given year. Even then, institutional architecture and public policy around the world have primarily evolved around maximizing GDP.

GDP does not fully capture social progress. There is a need to bring in other relevant, measureable, and changeable constructs that can be defined and operationalized. Therefore, well-being or social progress measures which integrate hedonic well-being (feeling good) and eudemonic well-being (functioning well) is a better option. Individuals, organizations, governments, regional organizations may decide which domains of well-being are of utmost importance, make sound judgment how they compare to others, and provide strategic plans to mobilize change.

To begin with, governments may use well-being data from many different sources to help align with cost-benefit analyses. Then measuring well-being and economic growth, governments can appraise comprehensive national progress beyond material living standards and thus be better informed to enact comprehensive societal prosperity.¹²² In other words, the more data about well-being a country has and is accessibly available, the better for decision makers to use them to measure and assess public policies or initiate new policies.

In this connection, OECD came up with two main pillars under the 'Better Life Initiative' project, which are 'How's Life?' and 'Your Better Life Index'. OECD concluded and suggested that over the past years people have witnessed an increasing awareness that GDP, as macro-economic measure and related statistics, do not sufficiently provide policy-makers with detailed and comprehensive picture of the actual living conditions that ordinary people experience.

¹²² Alejandro Adler and Martin E. P. Seligman. Using wellbeing for public policy: Theory, measurement, and recommendations. Retrieved from <http://www.internationaljournalofwellbeing.org/index.php/ijow/article/view/429/533>. 2016. Page 1-2. Accessed on 2 September 2016.

Also, the financial and economic crisis over the past few years has made the matter worse. This is because relying on an economic indicator like GDP alone does not reflect the whole picture of development. Developing a wide range of factors that matter to people and their well-being is of crucial importance for the general public, more accurate policies measurement, verifiability and accountability of public policies and global community.

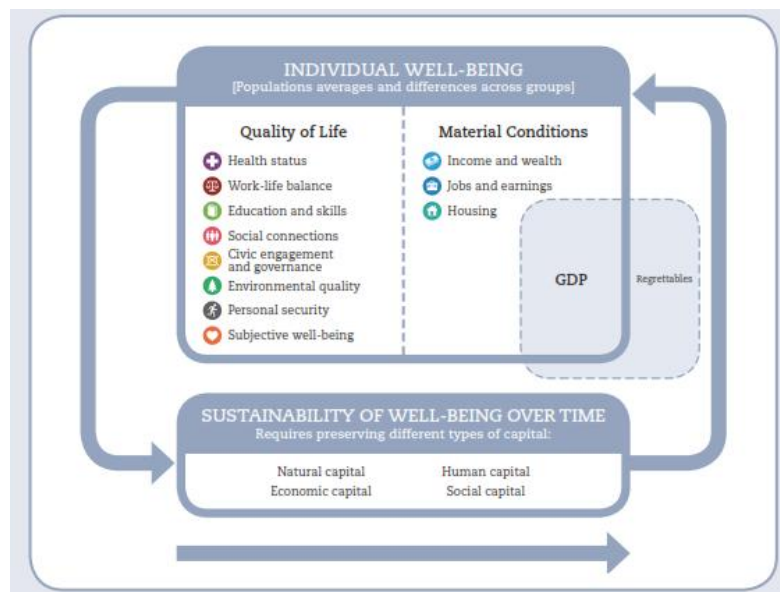


Figure 2.14: OECD Framework for Measuring well-being and progress

Source: OECD. Measuring well-being and progress.

According to the OECD measurement approach shown above, there are 11 indicators. The indicators proposed can be called 'capitals', thus they reflect economic, natural, human and social capitals in which they can be measured today, and for future well-being.

To make this matter more convenient and available to the public and to most people around the world, OECD creates the dedicated website named 'oecdbetterlifeindex', which can be found via <http://www.oecdbetterlifeindex.org/#/11111111111>.

It allows interested parties to participate in the measurement initiated by OECD. To elaborate further, OECD uses responses and compiles them so that the general public can use as a reference.

Under this initiative, each region can be measured against nine topics, which are income, jobs, health, access to services, environment, education, safety, civic engagement and housing. After that, score will be calculated for each topic so that one can compare places and topics within and across countries.

So far, more than 100,000 users around the world have shared their views on what makes for a better life under this Better Life Index initiative. This website also encourages people who are interested to find out more and participate in the initiative.

Interestingly, from this interactive map on the website, one can preliminarily conclude the comparative state of well-being with different countries around the world. For instance, users who responded to the questions from Germany ranked 'Job' as the top priority, respondents from France majored 'Health' whereas respondents from Singapore and Thailand picked 'Life satisfaction' at the top ranking.¹²³

Considering how the OECD pattern works, the OECD brings together the resources that can sustain well-being over time and scrutinizes how they can be measured. The stocks of natural, human, social and economic capitals capturing the important characters for sustaining well-being over time are also focused. Subsequently, it outlines the types of indicators that would be needed to monitor these stocks effectively. After that, the distribution of information and management of capital stocks at a variety of different levels from local, national, regional to global can potentially play a role. Then, the process to select a set of specific indicators can assume its place and fill in scoreboard with relevant data.¹²⁴

¹²³ OECD. What matters most to people around the world? Researcher of this thesis used an interactive map and its information from <<http://www.oecdbetterlifeindex.org/responses/#>>. Accessed on 20 September 2016.

¹²⁴ OECD. How's life? 2013. Measuring well-being. Retrieved from <<http://www.oecd-ilibrary.org/docserver/download/9789264201392-sum-en.pdf?expires=1464452920&id=id&accname=guest&checksum=823FBD9A36208D463160860D78BF3E5C>>. Page2. Accessed on 21 September 2016.

To emphasize, policy-makers and people around the world need to know how their actions taken today can affect the future of well-being. The challenge is that it requires an in-depth understanding of what will matter for future well-being as opposed to well-being today and its sustainability aspect. The design of policy that is equipped with multidimensional well-being is, therefore, not beyond our reach and concerted actions.

2.3 The EU and Well-being

There have been many efforts for the EU to push forward a new social progress and wealth measurement beyond the traditional GDP. The timeline of such attempts can date back to November 2007. The EU Commission organized the event to discuss this matter in partnership with the European Parliament, OECD, the Club of Rome and WWF at a high-level conference on 19-20 November 2007. The official website of this initiative is still effective today, which is set as http://ec.europa.eu/environment/beyond_gdp/index_en.html.

The main idea to drive this move was upon the belief that “a low-carbon economy, preserving biodiversity, promoting resource efficiency and achieving social cohesion are today as important as economic growth.” Therefore, measuring these elements in a comprehensive manner in order to quantify the well-being of a country even though it is highly complex and required a lot of work since GDP does not fully address these issues.¹²⁵

In a press release by the European Commission mentioned clearly why GDP cannot be the only measure to a nation’s progress by stating that “GDP was not intended to be a measure of well-being. It doesn’t pick up on issues that are vitally important to the quality of our lives such as a clean environment, social cohesion or even how happy people are. It is not in itself a sufficient guide for modern policy making that

¹²⁵ EU. Measuring progress, wealth and the well-being of nations. Retrieved from <http://europa.eu/rapid/press-release_IP-07-1718_en.htm?locale=en>. Accessed on 29 September 2016.

covers social and environmental objectives. This becomes a problem when GDP is understood as the unique yardstick for progress.”¹²⁶

Implementing other social progress indicators can better complement GDP. Although GDP is regarded and widely used as an economic indicator, it only focuses on short-term economic activities rather than longer-term sustainable development. Also, GDP does not take into account elements important in determining the wealth of a nation and the well-being of people. For instance, factors like goods and services such as natural resources and unpaid activities, i.e. voluntary and domestic services and leisure are not brought in to the calculation.

On top of that, factors like relationships with families and friends, personal health, environment, the loss of eco-system services, the evolution of social issues, and progress towards sustainable development, unemployment, climate change, among others should be included.

The European Commission also suggested that other indicators namely Genuine Progress Indicator, Genuine Savings, Human Development Index, Canadian Index of Well-being, among others can be used in addition to the GDP.¹²⁷

The EU has also dedicated a website called ‘Go beyond GDP Initiative’ for various choices of indicators in addition to GDP in which one can visit at http://ec.europa.eu/environment/beyond_gdp/index_en.html. This initiative was created to deal with developing indicators that are clear and agreeable, including more inclusive environment and social aspects.

It is undeniable that a country still needs to know the value of goods and services that are produced and how strong an economy is. It is important to note that when tackling non-economic issues such as progress and well-being, economic indicators are limited. As a result, we need additional indicators to complement the GDP.

¹²⁶ European Commission. Environment: Measuring progress in a changing world. Retrieved from <http://europa.eu/rapid/press-release_IP-09-1286_en.htm>. Accessed on 30 September 2016.

¹²⁷ Ibid.

In 2009, there was a survey in 23 European countries conducted in an attempt to measure multi-dimensional flourishing at an international scale by using the key terms as appears below to include in the definition of flourishing.

Core features	Additional features
Positive emotions	Self-esteem
Engagement, interest	Optimism
Meaning, purpose	Resilience
	Vitality
	Self-determination
	Positive relationships

Table 2.15: Hedonic and Eudaemonic Flourishing

Source: Alejandro Adler and Martin E. P. Seligman. Using wellbeing for public policy: Theory, measurement, and recommendations. International Journal of Wellbeing. 2016.

The findings was that Denmark topped the ranking with 33% of its citizens flourishing followed by Switzerland, Finland, and others, while global economic player like the United Kingdom which had 18% flourishing, and Russia held the position at the bottom with only 6% of flourishing according to Figure 2.16 shown.¹²⁸

¹²⁸ Ibid. Page 10.

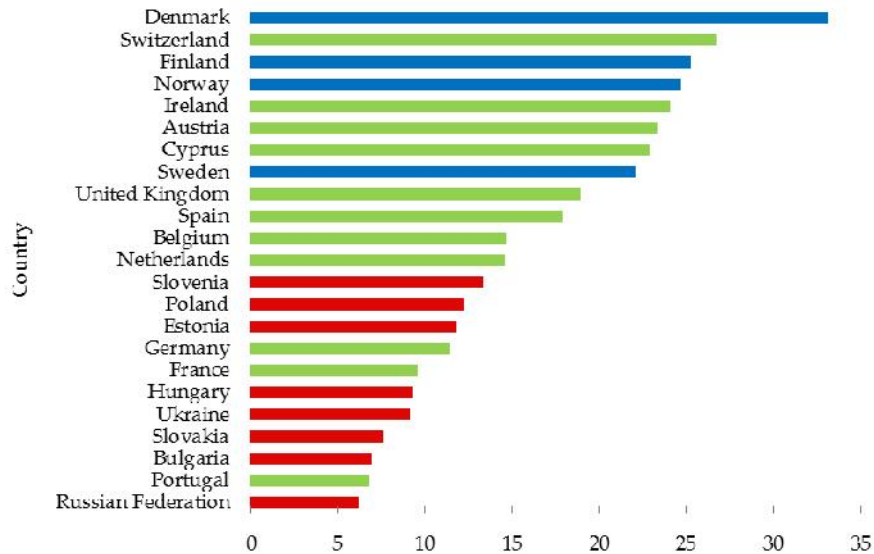


Figure 2.16: Prevalence of flourishing across European countries participating in the European Social Survey 2006/7

Source: Alejandro Adler and Martin E. P. Seligman. Using wellbeing for public policy: Theory, measurement, and recommendations. International Journal of Wellbeing. 2016.

Another piece of evidence is that, in October 2015, there was an effort at regional level, i.e. the EU and partner organizations reached an agreement that at regional level, which covers 272 regions and 28 European countries, there must be an index that is feasible and sound for measuring regional progress. On top of that, there was a high demand from policymakers to share knowledge on social progress drivers and expertise as well as socially innovative policies.¹²⁹

¹²⁹ Social Progress Imperative. A social progress index for the European Union: informing regional policy. Retrieved from

<<http://www.socialprogressimperative.org/blog/posts/a-social-progress-index-for-the-european-union-informing-regional-policy>>. Accessed on 1 October 2016.

The latest progress for driving change in the region of Europe was made in Iceland. On 28 April 2016, the Social Progress Imperative organization and the City of Reykjavik announced that the capital of Iceland will be “the first city in Europe to use the Social Progress Index to map and improve the well-being of all its residents.”¹³⁰ The move followed the ‘Social Progress-What Works?’ landmark conference held in Reykjavik on the same day.

The Social Progress Index carries the concept and definition as “social progress is the capacity of a society to meet the basic human needs of its citizens, establish the building blocks that allow citizens and communities to enhance and sustain the quality of their lives, and create the conditions for all individuals to reach their full potential.”¹³¹

Social Progress Index and its Measures are in details as follows:



Figure 2.17: Social Progress Component-level Framework

Source: Social Progress Imperative. Social Progress Index. 2016.

¹³⁰ Social Progress Imperative. Reykjavik the First City in Europe to Use Social Progress Index to Advance Wellbeing for All Residents. 2016. Retrieved from <http://www.socialprogressimperative.org/system/resources/W1siZiIsIjIwMTYvMDQvMjIvMDEvNDkvNDQvNjY3L1JleWtqYXZpa19Tb2NpYWxfUHJvZ3Jlc3NfSW5kZXhfQW5ub3VuY2VtZW50X0FwcmlsXzI4XzlwMTYucGRmI1d/Reykjavik%20Social%20Progress%20Index%20Announcement%20April%2028,%202016.pdf>. Accessed on 3 October 2016.

¹³¹ Ibid.

In this regard, apart from Iceland, there are two more countries that have been active in applying Social Progress Index and EU's Sustainable Development Strategy in their respective social well-being implementation. These are France and Switzerland. For France, the French General Commission on Sustainable Development (CGDD) explores how well-being indicators can support citizen mobilization to a more sustainable economy.

A journal entitled "Territorial Well-being: from measure to action for a more sustainable society", provides explanation on the important role that regions play in promoting sustainable development. This reflects how well-being gains attention at national level and regional level.

Theme	Headline indicator
Socio-economic development	Real GDP per capita, growth rate and totals
Sustainable consumption and production	Resource productivity
Social inclusion	Persons at risk of poverty or social exclusion
Demographic changes	Employment rate of older workers
Public health	Healthy life years and life expectancy at birth, by sex
Climate change and energy	Greenhouse gas emissions Primary energy consumption
Sustainable transport	Energy consumption of transport relative to

Theme	Headline indicator
	GDP
Natural resources	Common bird index
Global partnership	Official development assistance as share of gross national income
Good governance	No headline indicator

Figure 2.18: EU's Sustainable Development Strategy's Theme and Headline indicator

Source: EU. Beyond GDP: Measuring progress, wealth and well-being. 2016.

Considering Switzerland, the Swiss federal statistical office compiles forty indicators as being a part of new system in measuring well-being. This system covers seven thematic areas, which are enabling conditions, resources, activities, effects on resources, goods and services, use of goods and services, and well-being. Both material and immaterial conditions contributing to the quality of life in Switzerland are considered. This includes aspects related to social, human, natural and economic capital beyond GDP.

Reporting is based on a mix of objective indicators, such as disposable income or biodiversity, as well as subjective indicators, such as reported life satisfaction and perception of the quality of the environment. Also, results are publicly available online.

In conclusion, the EU has made a progress in promoting well-being at different levels. Different sets of measures and indicators have been mentioned so that one can see the evolution of well-being.

2.4 ASEAN and Well-being

For the past two decades, ASEAN has been creating a stable step toward a more comprehensive and caring community. Although, most issues and matters in ASEAN have been focused on economic growth, development issues have increasingly been paid attention by Member States, governments, international bodies, NGOs, civil society and people of ASEAN.

One piece of evidence is that “ASEAN showed remarkable success in reducing poverty, increasing employment and enrollment rates, improving health conditions, and expanding access to information and technology.” However, there are still some areas that ASEAN needs more effort to reach the goal. These are gender disparity and environmental disparity.¹³²

ASEAN in collaboration with UNDP released a report entitled ‘Report of the ASEAN Regional Assessment of MDG Achievement and Post-2015 Development Priorities’. The result was that overall ASEAN performed well and achieved in many areas according to MDGs, but there is still more room to be adjusted as the current context of globalization has challenged ASEAN heavily. ASEAN looks forward to addressing development issues through more efforts on policy coordination and coherence since it is located at the center of the agenda.¹³³ At regional level, ASEAN looks forward to promoting and facilitating active regional collaboration around key policy issues as well as identifying emerging challenges.¹³⁴

In addition, in 2009 USAID released a report entitled ‘Poverty and Well-Being in ASEAN Member States: Final Report on the Selection of Indicators’. It mainly focused on poverty and its measurement. This was to address a need to have a better set of indicators for measuring national and regional poverty.

¹³² ASEAN. 2011 ASEAN Statistical Report on the Millennium Development Goals. Retrieved from <[http://www.asean.org/storage/images/2013/resources/statistics/statistical_publication/MDG%202012%20\(REV\).pdf](http://www.asean.org/storage/images/2013/resources/statistics/statistical_publication/MDG%202012%20(REV).pdf)> . Page 9. Accessed on 5 October 2016.

¹³³ ASEAN. Report of the ASEAN Regional Assessment of MDG Achievement and Post-2015 Development Priorities. Retrieved from <http://www.asean.org/storage/images/2015/November/27th-summit/ASCC_documents/Report%20of%20the%20ASEAN%20Regional%20Assesment%20of%20MDG%20Achievement%20and%20Post2015%20Development%20Priorities.pdf>. Accessed on 5 October 2016.

¹³⁴ Ibid. Page 6-7.

Interestingly, Brunei and Singapore reported that having no poverty line and poverty measurement system per se.¹³⁵

Let's consider an aspect of well-being in terms of employment in ASEAN.

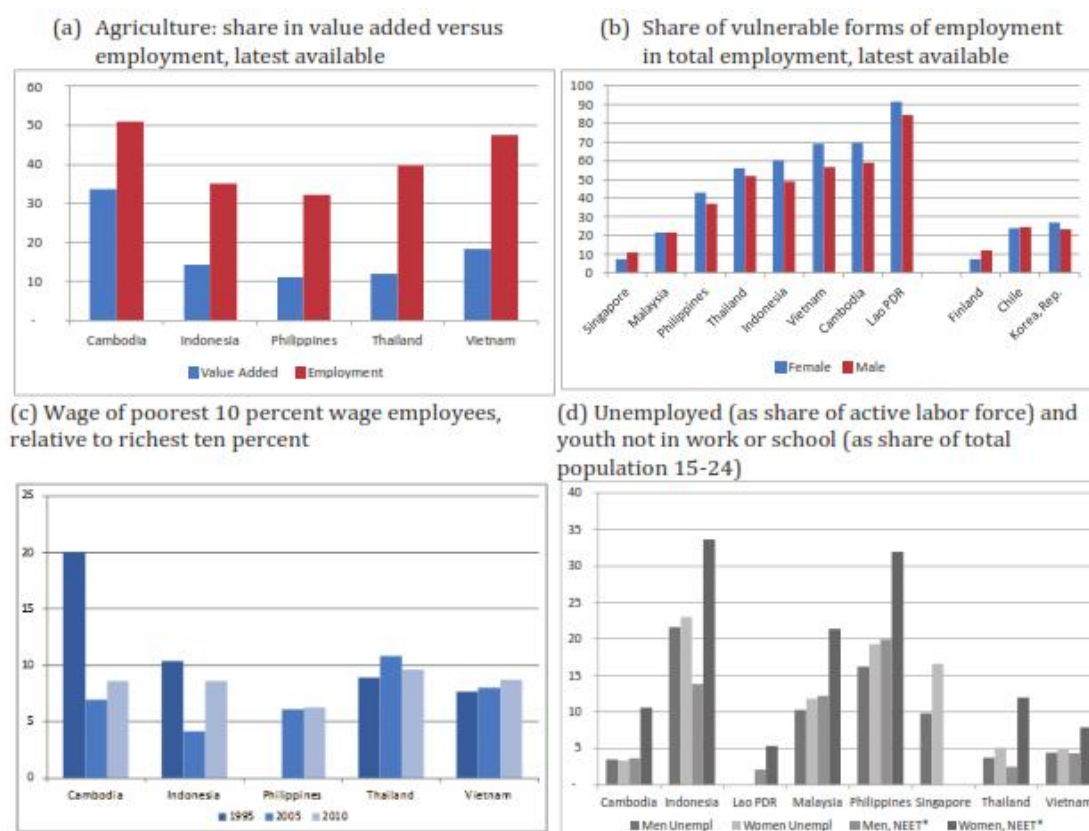


Figure 2.19: Employment is still dominated by low productivity and vulnerable jobs, especially in the poorer countries

Source: ASEAN. Report of the ASEAN Regional Assessment of MDG Achievement and Post-2015 Development Priorities. ASEAN Secretariat. 2015.

¹³⁵ USAID. Poverty and Well-Being in ASEAN Member States: Final Report on the Selection of Indicators. Retrieved from <http://pdf.usaid.gov/pdf_docs/pdacw782.pdf>. 2009. Page 8. Accessed on 7 October 2016.

According to Figure 2.19, it is clear that most ASEAN member states are still facing competitiveness in skilled workforce, employment, unemployment, among others. Inter-regional relations between the EU and ASEAN under many projects and programmes have been helping to fill this gap. In particular, the increase and capacity building of labor skills are the main focus of many joint projects. Beyond that, there is an assistance to help ASEAN moving towards a more integrated region like in the case of the EU common market model in relation to the mainstream of globalized economic production system as evidence shown from the 'ASEAN-EU Enhancing ASEAN Free Trade Agreement Negotiating Capacity Programme.' This programme was worth approximately 2.5 million euro, conducted from 2011-2013. The series of policy dialogue were set out to reach wider population with a specific focus for Cambodia, Laos, Myanmar and Vietnam (CLMV).¹³⁶ Still, there are challenges that face ASEAN when dealing with employment and its interconnectedness with other key factors such as education; some sub-issues are such as ability of education and training systems, skills development strategies, technology and entrepreneurship competencies and this links directly to competitiveness at global level.

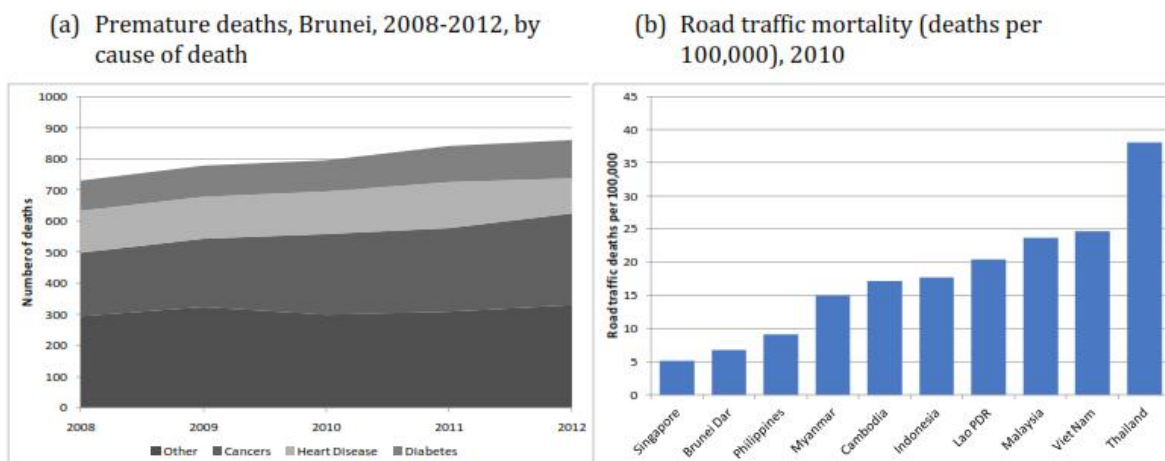


Figure 2.20: New Health threats emerging

Source: ASEAN. Report of the ASEAN Regional Assessment of MDG Achievement and Post-2015 Development Priorities.

¹³⁶ EU-ASEAN: Natural Partners. EU-ASEAN Programme Cooperation. Page 7.

Another key factor which is indispensable for considering well-being is that of health. In accordance with Figure 2.20, take Road Traffic Mortality for example, the toll of death are relatively high, especially in Thailand. As a result, there are many NGOs working on health-related issues in Southeast Asia. For instance, the European Alcohol Policy Alliance (Eurocare)¹³⁷, a non-governmental organization, whose work is to prevent and reduce harm concerning the consumption of alcohol in Europe, assisted Thailand to address health-related issues. In this regard, it was about the reduction of harmful use of alcohol in which Thai law required graphic health warning to be no less than 30% to 50% of the size of the alcohol container manufactured in or imported to Thailand.¹³⁸ Health in this regard, can be affected by premature death as a consequence of traffic mortality and road/traffic accident since it threatens people's health and that's why it is called 'new health threat.' When a person is intoxicated under the influence of alcohol consumption, he/she is less likely to control him/herself when driving. As a result, an impact of health caused by alcohol consumption in connection with traffic mortality can potentially cost the hefty burden to society. This effort indicates that the work of well-being provided by the EU to ASEAN has been through different channels, not only by the formal channel, but also by NGOs and civil society as well.

In sum, each member state of ASEAN sets priorities differently, therefore intensifying collaboration across policy issues and themes should be encouraged for the benefits of ASEAN as a whole. On top of that, tackling key issues at regional level rather than at a country level can bring about more effective results like in the case of urbanization, natural disasters, pandemics infectious diseases, criminal networks as well as transboundary social and health issues. Undoubtedly, lessons learned from the EU's best practices regarding well-being in different aspects and projects/programmes can help ASEAN in identifying and evaluating situations in addition to presenting alternative options and/or innovative approaches to dealing with key issues of well-being.

¹³⁷ Eurocare has 60 member organizations in 25 European countries. Member organizations are involved in research and advocacy, as well as in the provision of counselling services and residential support for problem drinkers, the provision of workplace and school based programmes and the provision of information to the public. Information retrieved from <<https://www.eurocare.org/about.php?sp=membership>>. Accessed on 8 October 2016.

¹³⁸ Eurocare Annual Report 2011. Thailand notifies WTO members of plans to introduce alcohol warning labels. Page 7-8. Retrieved from <<https://www.eurocare.org/media/GENERAL/docs/annual-reports/2011annualreportfinal.pdf>>. Accessed on 8 October 2016.

2.5 Why is well-being significant for trade and development policy between the EU and ASEAN?

In accordance with the United Nations' new goal of development, or it is well known as 'Sustainable Development Goals' (SDGs), basically the UN SDGs aim to reach the comprehensive dimensions of 'People', 'Planet', 'Prosperity', 'Peace' and 'Partnership'.

As identified in Chapter 1 regarding the frame of research in this PhD thesis, well-being will only be focused on three dimensions which are health, education and employment to connect how ASEAN and the EU pursue their relations, contribute and make progress in relation to trade and development policy.

In relation to the UN's SDGs, health and well-being is placed under Goal 3. It reads as "Ensure healthy lives and promote well-being for all at all ages."¹³⁹ Under this Goal 3, there are several aims which need to be met by the year 2030. Regarding education, Goal 4 of the UN's SDGs is mentioned that "Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all."¹⁴⁰ As for employment, it falls under Goal 8 which reads "Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all."¹⁴¹ Overall, the SDGs goals are set to transform the world which will lead us towards a more sustainable development future for human beings.

In connection with the Agenda 21 (1992) to the current SDGs, there was a development in 2009 regarding the National Sustainable Development Strategies (NSDS), which called on member states to implement their national plans in accordance with the NSDS.¹⁴² It is clear that the matter of well-being is not completely new; however the degree to implement it more comprehensively has been paid with greater attention and interest among individual and states as well as international actors.

¹³⁹ UN. Sustainable development Goals. Retrieved from <<https://sustainabledevelopment.un.org/content/documents/21252030%20Agenda%20for%20Sustainable%20Development%20web.pdf>>. Accessed on 12 October 2016.

¹⁴⁰ Ibid.

¹⁴¹ Ibid.

¹⁴² UN. National Sustainable Development Strategies (NSDS). Retrieved from <<https://sustainabledevelopment.un.org/topics/nationalsustainabledevelopmentstrategies>>. Accessed on 12 October 2016.

For ASEAN, it looks forward to addressing inter-regional concerns like well-being and sustainable development issues. By identifying good practices and setting regional norms can attract a friendlier atmosphere of collaboration with other blocs. ASEAN also tries to push forward in terms of principle of results-oriented and results-based policy in addition to innovative approach and tools for more effective assessment based on ASEAN context.

On top of that, ASEAN continues to work and seek best practices across different policy areas and themes within ASEAN Community itself and further afield, thereby setting standards and norms is a part of strategy.¹⁴³

2.6 Well-being: Justification and a more sustainable approach towards Inter-regional Relations

Why have many people and organizations expressed their concerns over the overly economic dependency while paying less attention to the development of the quality of life? It is partially applicable that economic progress can help alleviate poverty, but only to a certain level and to some groups of people in a society. Many more still live under the poverty line and suffer poor quality of life. However, if one considers closely, there is still room to discuss that economic unfortunate group of people still have other factors to be considered as being poor and living under the poverty line or one could say a not 'Ok line.' If they live at the same level or above this line, then they can claim that they live according to an 'Ok line'.¹⁴⁴

¹⁴³ ASEAN. Report of the ASEAN Regional Assessment of MDG Achievement and Post-2015 Development Priorities. Retrieved from <http://www.asean.org/storage/images/2015/November/27th-summit/ASCC_documents/Report%20of%20the%20ASEAN%20Regional%20Assesment%20of%20MDG%20Achievement%20and%20Post2015%20Development%20Priorities.pdf>. Page 46. Accessed on 15 October 2016.

¹⁴⁴ The term 'Ok line' is borrowed from the course "Social wellbeing", which is developed and created by the University of Edinburgh. More information, please visit <<https://www.futurelearn.com/courses/social-wellbeing/0/steps/17285>>. Accessed on 16 October 2016.

At global level, the United Nations (UN) has been promoting the Millennium Development Goals (MDGs) then it was transformed to the Sustainable Development Goals (SDGs). Although the UN does not mention well-being as the key term and ultimate goal for this development, actions and initiatives have been invested to help people around the world to live a better life. The set goals and indicators of SDGs have also been created in response to priority; to continue carrying on work from MDGs and to make targets easier to reach. After considering the SDGs, they are potentially related to well-being mentioned in this thesis and to the three key factors selected, which are health, education and employment and they will be explained further below how SDGs and well-being is inter-related under the reason number five.

At an individual and community level, questions like these may occur to each one of us, for instance; 'What is the purpose of life?', 'What can fulfill our lives?', 'Is it happiness coupled with living in a so-called utopian society?' Questions like these may sound familiar and thus may provide further opportunity for discussion to any individual, community, organization, society, country, and region as well as at global level. Interestingly, happiness is not a new science as such. Aristotle, an infamous Greek philosopher and one of the most respected thinkers, evidently studied 'Eudaimonia' or 'happiness', in fact it is better to express under the term 'well-being' since it provides meanings carrying more holistic perspectives. This means that human being has questioned the true purpose of life, existence of happiness and well-being for more than two thousand years.

The impact of such concept has transcended to present time and interestingly to regional groupings as well. Key players at global level and regional level such as the European Union (EU) and the Association of Southeast Asian Nations (ASEAN) mention 'well-being' in their collective purposes. According to Article 3 of the EU's Treaty of Lisbon, "the Union's aim is to promote peace, its values and the well-being of its peoples." With regard to ASEAN, the region also aims to promote well-being for ASEAN citizens and community. In accordance with Article 1 of ASEAN Charter, ASEAN aims "to enhance the well-being and livelihood of the peoples of ASEAN by providing them with equitable access to opportunities for human development, social welfare and justice."

Based on the concept of Eudaimonia and these principles enacted in the Treaty of Lisbon and ASEAN Charter, one can see that well-being is regarded to be one of the aims set by both regional groupings. However, how each region manages to deliver the well-being to its citizens depends on policy, mechanisms, culture, society, tradition, expertise and appropriateness in line with their context of implementation.

When looking at economic performance indicator, namely Gross Domestic Product or GDP, which has been used worldwide, it is heavily questioned for its success. Why is that? A rough answer could be GDP does not respond to the holistic needs of people. It only counts the products and profits made at certain point of time and literally all sorts of figures and numbers are delivered. It lacks quality of life dimension. Considering a mother raising a child at home, quality time of a family spending together, a group of Good Samaritan helping clean up a community hall, for instance, GDP does not consider including this type of activities to be calculated in its equation. In fact, this concern has faced local, national and global community to search for solutions or even a new approach. A new paradigm and different perspective is therefore strongly needed in response to traditional approach, economic inequality, public policy design, international agenda setting and collaborations.

Therefore, the author of this thesis wishes to express six main reasons justifying why individuals, states and regional groupings are in a better position if consider applying 'well-being' as a core focus to 'go beyond GDP mentality' for any negotiations and in the process of policymaking and implementation.

2.6.1 Well-being complements GDP in covering the whole process of economic activity

Although GDP helps measure input and output made, real outcome and impact of economic activities have unlikely been brought into account. For instance, health concerns, natural depletion and environmental deterioration, relocations, among others, are basic factors and dimensions that need more attention. Although well-being is basically divided into subjective well-being and objective well-being, "the non-economic dimension of objective well-being has shown that economic development should not be

measured by purely economic indicators because that way one can have an insight into the complete picture.”¹⁴⁵

As a result, most recent effort of ‘go against GDP’ has been conceived, thus it coincides and complements the well-being of people, covering dimensions of real progress. This is called ‘Social Progress Index’. It is based on three key pillars as seen from Figure 2.21 below.



Figure 2.21: Social Progress index component-level framework

Source: Social Progress Imperative. Social Progress Index 2016

Consider using this frame of SPI in connection with GDP and other measurements of growth/progress, it would be more just and beneficial for most people who are less well-off than those who are well-to-do individuals or families or even at state to state level. To elaborate, wealth inequality is a global issue and one part of it is a result of GDP-obsessed mentality. The gap between the rich and the poor also keeps widening. “Globally, very richest people or ultra-high-net-worth individuals (UHNWIs) are now estimated by the Swiss bank and financial services company UBS’s Wealth-X report to make up just 0.004 percent of planet’s human population. In 2014, that bank predicted that ‘...in the next five years, the size of the

¹⁴⁵ Anita Frajman Ivkovi , Marija Ham and Josipa Mijo . Measuring Objective Well-Being and Sustainable Development Management. Retrieved from <http://www.scientificpapers.org/wp-content/files/1443_FRAJMAN_IVKOVIHAMMIJO-Measuring_Objective_Well-Being_and_Sustainable_Development_Management.pdf>. Accessed on 15 October 2016.

global ultra-high-net-worth population will swell to more than 250,000 individuals and their combined net worth will almost surpass 40 trillion US dollars.”¹⁴⁶



Figure 2.22: 2016's Global Wealth Forecast

Source: The Economist. 2016's Global Wealth Forecast

As can be seen from the right chart of Figure 2.22, global economy in 2016 was projected to look relatively positive. Emerging markets like China, India and Indonesia were expected to perform well; however if looking at the overall picture of emerging markets they would experience plunging economy.

In addition, let's look at the left chart; one can see that developed markets would do better in contributing to real GDP growth. Again, gap of real growth and development between wealthier nations and developing/least developed states could occur.

From this point of view, economic prospect and forecast seem important; however it does not represent a full picture of one's life or even overall performance of state/region from different angles. Therefore, it needs challenging perspective and alternative approaches in addressing economic health and well-being.

¹⁴⁶ Danny Dorling. Injustice: Why Social inequality still persists. Policy Press. UK. 2015. Page 216.

2.6.2 Well-being offers different dimensions of economic growth

GDP does not give the whole picture of progress and growth. A leading scholar, Professor Lorenzo Fioramonti, interestingly coins the term GDP as “Gross Domestic Problem”, as appears in his famous book ‘Gross Domestic Problem.’ Key principles such as quality of life, equality, social justice and redistribution are the big question when one measures success or growth via the use of GDP. On top of that, “GDP is increasingly a poor measure of prosperity. It is not even measure of prosperity.”¹⁴⁷

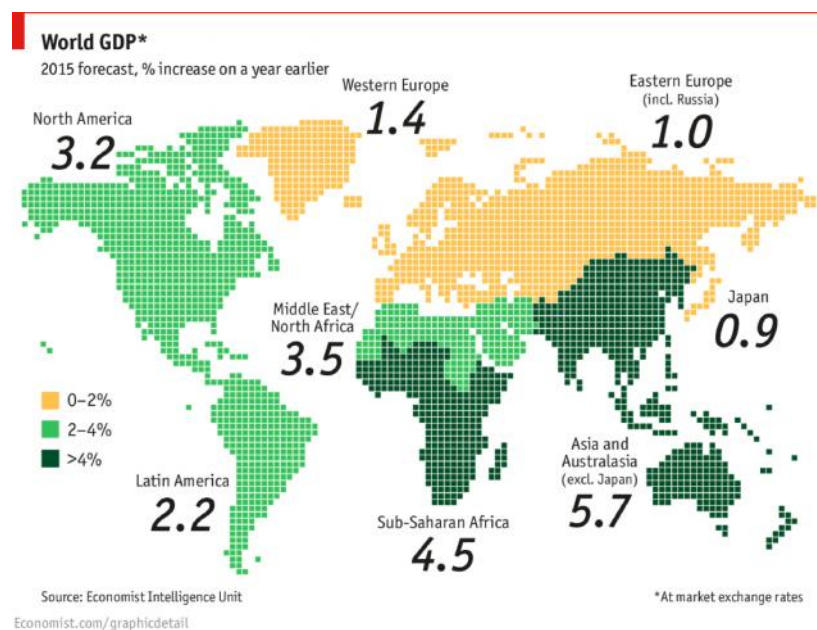


Figure 2.23: Global GDP growth prospects

Source: The Economist. Gauging growth in 2015

¹⁴⁷ The Economist. The Trouble with GDP. Retrieved from <<http://www.economist.com/news/briefing/21697845-gross-domestic-product-gdp-increasingly-poor-measure-prosperity-it-not-even>>. Accessed on 17 October 2016.

Psychologically speaking, once most people see this GDP growth prospects they usually feel somehow positive since the figure is not in a negative domain or as long as it is not too close to 0 percent figure. However, there are variables to help explain why each region is projected differently as Figure 2.23 shown above. Under this projection, in 2015 Asia and Australasia were the best performing world economy. When compared with Japan and the European area, they experienced a weaker economy. Whereas China might enjoy economic expansion at 7 percent but this was considered slow if compared with China's economy five to ten years ago. Overall, it turned out that global growth and world GDP still relied on lower oil prices to make such growth.¹⁴⁸

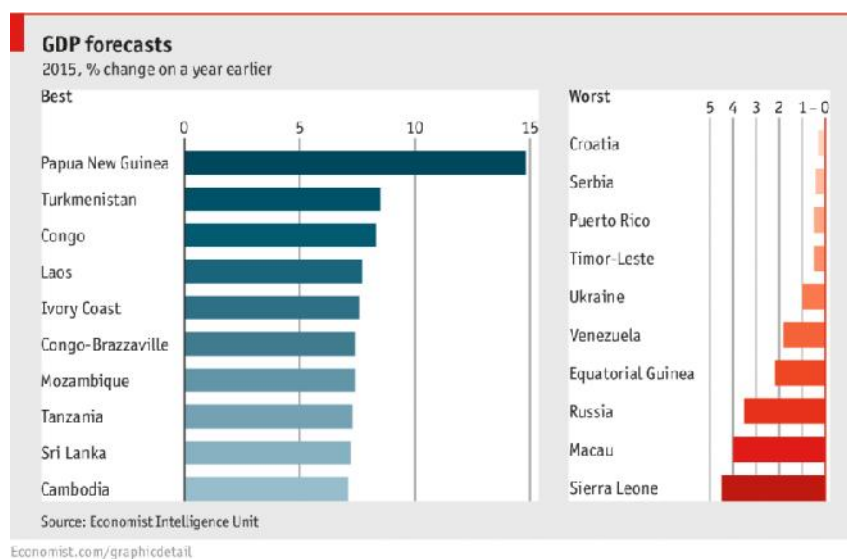


Figure 2.24: GDP forecasts

Source: The Economist. Gauging growth in 2015.

Let's look at Figure 2.24, Emerging economies like Laos, Cambodia, Tanzania and Congo hold relatively positive GDP forecasts whereas chart on the right hand side shows a negative outlook for countries such as Russia, Serbia, Timor-Leste, among others.

¹⁴⁸ Ibid.

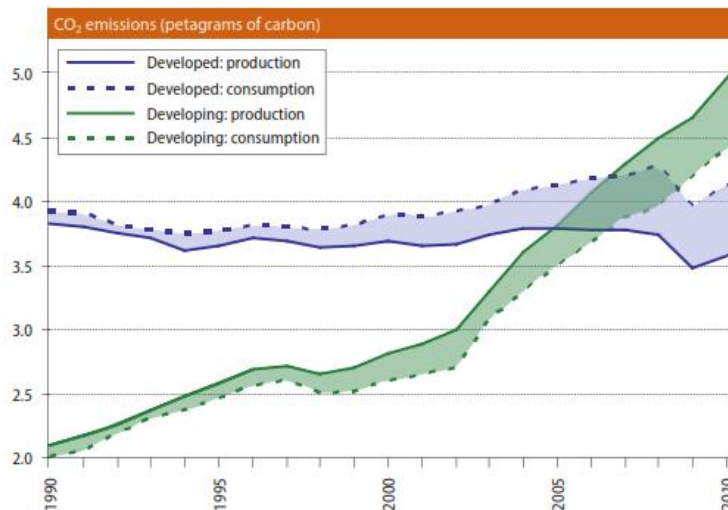


Figure 2.25: Co2 emissions of developed and developing countries, as allocated to production and consumption (production plus net exports), 1999-2010

Source: UN. Global trends and challenges to sustainable development post-2015

When considering Figure 2.24 and 2.25, one can see that behind the growth and progress of any nation, in particular economic sphere vis-à-vis environmental degradation, there is always an expense as well as a story behind it.

Considering Figure 2.25, both developed and developing countries are responsible for producing gas CO2 emissions in which it creates climate change. Climate change exacerbates biodiversity. Expansion of land use and modernization of agriculture are largely responsible for planetary nitrogen release and phosphorous cycle. In addition, land, water and energy are critical resources for humanity. Their availability are tightly interconnected and getting more vulnerable. All of them have strong connection to agriculture and food production; therefore developing countries cannot deny the fact that the increase of their GDP is at the expense of this exploitation.

¹⁴⁹ UN. Global trends and challenges to sustainable development post-2015. Retrieved from

<http://www.un.org/en/development/desa/policy/wess/wess_current/wess2013/Chapter1.pdf>. Page 18-19. Accessed on 20 October 2016.

In this regard, one can learn an effort in tackling greenhouse effect from Europe, in which it has disconnected economic growth from CO₂ emissions over the last 25 years when compared to the rest of the world. However, the EU is still emitting 10 percent of the global greenhouse gas even though the region has world population share of just below 7 percent.¹⁵⁰

There are also other factors related to land, water and energy, which are further expansion land use and exploitation, additional impact of climate change, price volatilities, sustained price increases, scarcities and distributional conflicts. All these factors need to be addressed at local, national and global levels. Apart from those mentioned factors, population growth, population density and urbanization, which are happening around the world can be significant determinants, thus we can use them as measurable account or benchmark in justifying progress of nations in connection with GDP.¹⁵¹

2.6.3 Well-being is not merely a concept at individual level but it has been academically and globally recognized

Well-being orchestrates with sustainable development goals or SDGs. GDP may statistically provide instant gratification faster than that of social progress can do. However, bringing well-being and sustainability into the calculation of progress and growth will reflect a real picture of development. It is necessary to develop different measures rather than relying on GDP purely when considering progress and growth. There is also a limit of GDP when assessing social, cultural and environmental dimensions.

¹⁵⁰ EU. Sustainability Now! A European Vision for Sustainability. Retrieved from <https://ec.europa.eu/epsc/publications/strategic-notes/sustainability-now_en#h-3-9>. Page 7. Accessed on 21 October 2016.

¹⁵¹ Ibid.

Basically, multi-dimensional growth is indispensable for a sustainable pathway for global community as evidence shown by the UN's MDGs since its inception and implementation in 2000, and then it was transformed to SDGs 2030. Therefore, there is always a global effort to do differently for a greater cause.¹⁵²

With this concept portraying an effort to counterbalance the GDP, the UN came up with MDGs and then it had been evolved to SDGs with a huge promise that by 2030 millions of lives; a promise to stop injustice; a promise to protect our planet will be delivered. In addition, civil society made their voice heard by creating a platform called 'Global Citizen.' It recently released a tool to make leaders around the world keep their promises. The tool is 'People's Report Card'.

How does it work? It is empowered by Social Progress Index. It basically reports whether everyone in the world has those essential qualities of life. To elaborate, these are having basic needs fulfilled, possessing a fair level of well-being, and having opportunities for the future. The People's Report Card employs a scale from F to A, where 'F' represents humanity at its worst situation and 'A' represents achieving the Sustainable Development Goals as humanity at its best situation.¹⁵³ The result of assessment is that overall the world today scores a C+, which means every country has room for improvement and collaboration.¹⁵⁴

Therefore, there are efforts not only at global organization level but also at global civil society level through different platforms and initiatives in addressing economic success and its contribution and responsibility to real quality of life/well-being.

¹⁵² EU. Fabiola Riccardini, Head of the Well-Being and Sustainability Unit at the Italian National Institute for Statistics (ISTAT). An interview with Fabiola Riccardini on developing indicators for the Sustainable Development Goals (SDGs). Retrieved from <http://ec.europa.eu/environment/beyond_gdp/newsletters/March2016/newsletter.html>. Accessed on 25 October 2016.

¹⁵³ The People's Report Card. Retrieved from <<https://www.globalcitizen.org/en/campaign/peoples-report-card/>>. Also, the official launch of this People's Report Card can be viewed at <<http://livestream.com/Mashable/events/6346857/videos/136274911>>. Accessed on 25 October 2016.

¹⁵⁴ Ibid.

Moreover, strategy and policy coherence to address social progress and sustainable development requires local, national, regional and global policies to achieve a common goal. Actors at local, national and global levels are encouraged to commit transformative changes in addition to coherence empowerment. Policy decision in one country can affect regional and global repercussions whether it is negative or positive policy making process.¹⁵⁵

More examples of concrete effort is that the EU envisions a sustainable society as a place “where economic growth is compatible with planetary boundaries and fairly distributed among its citizen.”¹⁵⁶ The EU also believes that sustainability can well be European brand in which the EU can lead the role in tackling a societal challenges such as poverty, hunger, nutrition, sustainable agriculture, more healthy lives and equitable quality-education for all, gender equality, access to clean water and renewable energy, inclusive economic growth and decent work for all, inter alia.¹⁵⁷

2.6.4 Well-being and its diverse components as well as multiple approaches can complement one another in addressing socio-economic factors and SDGs

Traditional growth model is no longer effective and insufficient to keep up with changes as well as challenges. Different social measurement index compliments GDP as can be seen from Figure 2.26 below in which the UNDP proposes the focus on the role of bio-diversity in achieving the SDGs by creating and mainstreaming more opportunities for bio-diversity.

¹⁵⁵ UN. Global trends and challenges to sustainable development post-2015. Retrieved from <http://www.un.org/en/development/desa/policy/wess/wess_current/wess2013/Chapter1.pdf>. Page 21-22. Accessed on 27 October 2016.

¹⁵⁶ EU. Sustainability Now! A European Vision for Sustainability. Retrieved from <https://ec.europa.eu/epsc/publications/strategic-notes/sustainability-now_en#h-3-9>. Page 8. Accessed on 27 October 2016.

¹⁵⁷ Ibid.

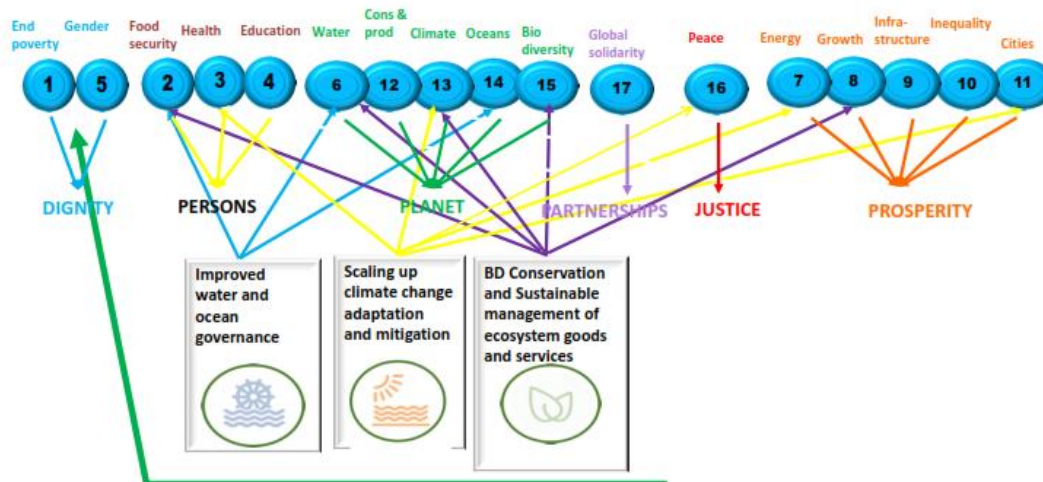


Figure 2.26: Changing the World in 17 Steps

Source: UNDP. The role of bio-diversity in achieving the SDGs: Opportunities for bio-diversity mainstreaming. 2015

The World Economic Forum (WEF) also came up with an interesting research, which offered a new way to measuring progress. A question asked is “Which countries are best at converting economic growth into well-being?” Together, it composes of 10 dimensions of well-being as Figure 2.27 shown below.

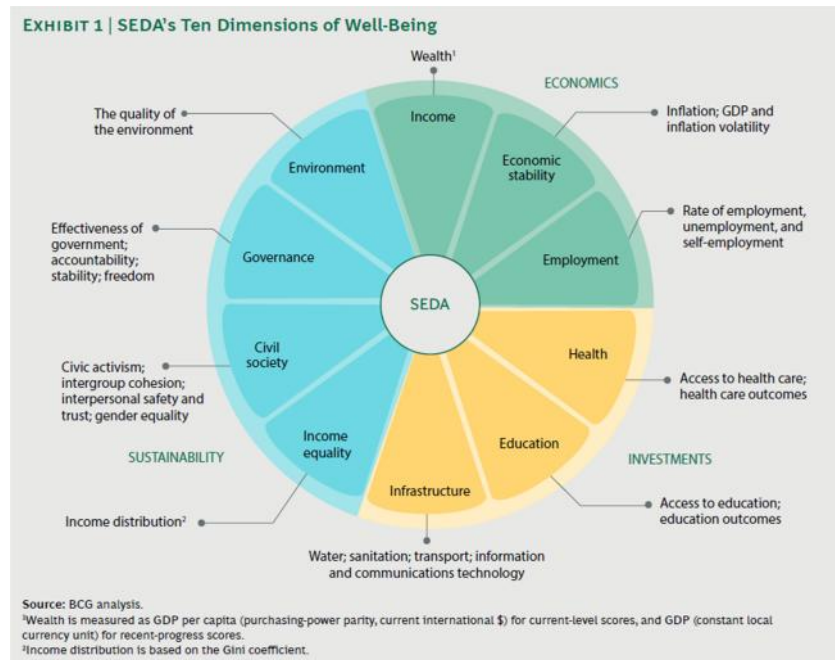


Figure 2.27: SEDA's 10 Dimensions of well-being

Source: SEDA, 2016. Which countries are best at converting economic growth into well-being?

While economic outputs still play an important role in a person's life, this measurement offers dimensions to complement an economic aspect. This is to find a more balanced wealth of economic and living growth. According to this assessment, which entitled Sustainable Economic Development Assessment, countries that are best at converting economic growth into well-being are Norway, Netherlands, Finland, Germany, Austria, Denmark, Switzerland, Iceland, Belgium and Sweden.

In addition, countries that have made the most progress in converting economic growth into well-being are Ethiopia, China, Rwanda, Mongolia, Qatar, Sierra Leone, Timor-Leste, Cambodia, Laos and Ghana. While Greece, Cyprus, Italy, Central African Republic, Barbados, Hungary, Brunei, Finland, Spain and France are considered countries that have made the least progress in converting economic growth into well-being. This demonstrates that well-being is not only well accepted in terms of idea but also in the practical sphere of implementation.

2.6.5 UN's MDGs transformed to SDGs

While this thesis is aimed at discussing three key elements that are cornerstone to the foundation of well-being, at global scale the UN's SDGs are not irrelevant and unrecognized. Rather, the three key factors respond to the current situations within ASEAN which respond to the action and development aid provided by the EU.

To elaborate, education still plays a major role in empowering people in any societies, in particular, for women, girls and vulnerable groups of people around the world. As the current UN Secretary General mentioned in his commemoration remarks on the International Women's Day that:

*“And we need to say clearly that governments are better when there is gender equality in the formation of governments. We need to say that Parliaments are better when there is gender equality in the formation of Parliaments. Those companies have better management when there is gender equality in their boards. That societies are better when there is full equality in girls’ access to education and in women and girls’ access to the labor markets, with equal work and equal pay and equal participation in the different institutions of the civil and political society.”*¹⁵⁸

Moreover, the UN's SDGs values education highly and clearly states under Goal 4 Quality Education that “Ensure inclusive and quality education for all and promote lifelong learning.” It is critically important that everyone is entitled to quality education since education is a key achieve other SDGs. Education also empowers people so that they can live a better life, healthier and more sustainable life.¹⁵⁹

¹⁵⁸ UN's Secretary-General's remarks at commemoration of International Women's Day. Retrieved from <https://www.un.org/sg/en/content/sg/statement/2017-03-08/secretary-generals-remarks-commemoration-international-women%E2%80%99s-day>>. Accessed on 30 October 2016.

¹⁵⁹ The UN's SDGs Goal 4. Quality Education: Why it matters. Retrieved from http://www.un.org/sustainabledevelopment/wp-content/uploads/2017/02/ENGLISH_Why_it_Matters_Goal_4_QualityEducation.pdf>. Accessed on 30 October 2016.

With regard to health, it is enacted under the UN's SDG Goal 3, which reads "Ensure healthy lives and promote well-being for all at all ages." The UN explains further that health and well-being is indispensable for creating sustainable development. It also helps increase life expectancy, reducing illnesses and thus healthy people are capable to contribute to a society in many ways. Although several efforts have been made, more collaborations and aids are needed to address emerging health issues and a wide range of diseases.¹⁶⁰

Considering employment, the UN's SDGs considers inclusive and sustainable economic growth to be included with employment. Therefore, Goal 8 which is focused on employment and decent work for all is fully stated as "Promote inclusive and sustainable economic growth, employment and decent work for all."¹⁶¹ According to the UN, we need more work and employment as in 2007 global unemployment increased from 170 million people to nearly 202 million in 2012, of which about 75 million are young women and men. It was estimated that 470 million more jobs are needed globally for new entrants to the labor market between 2016 and 2030. This statistic can help solidify why employment as one of the three key factors of well-being in this thesis is critically important to discuss.

2.6.6 ASEAN and the EU have increasingly recognized the importance of well-being

Sustainability is the key to running business in private sector as well as in public sector. For ASEAN, SDGs and sustainability have been put in the heart of regional integration, though there is a need for more cross-sectoral coordination and policy integration.

¹⁶⁰ The UN's SDGs Goal 3. Good Health and Well-being: Why it matters. Retrieved from <http://www.un.org/sustainabledevelopment/wp-content/uploads/2017/03/ENGLISH_Why_it_Matters_Goal_3_Health.pdf>. Accessed on 31 October 2016.

¹⁶¹ The UN's SDGs Goal 8. Decent work and economic growth: Why it matters. Retrieved from <http://www.un.org/sustainabledevelopment/wp-content/uploads/2016/08/8_Why-it-Matters_Goal-8_EconomicGrowth_2p.pdf>. Accessed on 31 October 2016.

ASEAN has been trying to address and respond to regional issues with a more sustainable approach and in accordance with ASEAN Charter and ASEAN Blueprint 2025 through internal cooperation and inter-regional collaboration.¹⁶²

Considering the EU with the issue of well-being, as already mentioned that the EU is the biggest donor of development aid. As a result, the EU is considered a global actor in development and trade. Many efforts of the EU can be seen through supports provided to less developed countries and regions. Internally, the EU has developed sets of indicators to measure real GDP and sustainability. Some indicators are such as 'Innovation, competitiveness and eco-efficiency', 'Social Inclusion', 'Education', 'Demographic changes', 'Transport impacts', 'Financing for sustainable development', 'Good governance, among others. There are also other categories and sub-indicators which indicate how GDP alone cannot present a full fact of progress.¹⁶³

The EU promotes sustainability and already puts this issue in the EU-Vietnam Free Trade Agreement (FTA) as appears in Chapter 15: Trade and Sustainable Development of this FTA.¹⁶⁴

The objective of Article 1 in this Chapter clearly states that "... The Parties agree that this Chapter embodies a cooperative approach based on common values and interests, taking into account the differences in their levels of development."¹⁶⁵

¹⁶² Simon H. Olsen, Shom Teoh and Ikuho Miyazawa. ASEAN Community and the Sustainable Development Goals: Positioning Sustainability at the Heart of Regional Integration. Retrieved from <https://www.researchgate.net/publication/282567476_ASEAN_Community_and_the_Sustainable_Development_Goals_Positioning_Sustainability_at_the_Heart_of_Regional_Integration>. Page 60. Accessed on 1 November 2016.

¹⁶³ EU. Sustainable development indicators. Retrieved from <http://ec.europa.eu/eurostat/web/sdi/indicators/complete-set-of-indicators?p_p_id=NavTreeportletprod_WAR_NavTreeportletprod_INSTANCE_o8GUjdCZsxiV&p_p_lifecycle=0&p_p_state=normal&p_p_mode=view&p_p_col_id=column-2&p_p_col_count=1>. Accessed on 1 November 2016.

¹⁶⁴ European Commission. EU-Vietnam Free Trade Agreement: Agreed text as of January 2016. Retrieved from <<http://trade.ec.europa.eu/doclib/press/index.cfm?id=1437>>. Accessed on 1 November 2016.

¹⁶⁵ EU-Vietnam Free Trade Agreement Text-Chapter 15: Trade and Sustainable Development. Retrieved from <http://trade.ec.europa.eu/doclib/docs/2016/february/tradoc_154229.pdf>. Page 1. Accessed on 1 November 2016.

Moreover, collaboration concerning trade and development is enhanced by the agreement under this FTA Article 14: Working together on trade and sustainable development, as it reads "... The Parties shall share information and experience for the purposes of developing and implementing cooperation and capacity building activities on trade and sustainable development."¹⁶⁶

In terms of joint collaboration and support related to sustainability, the EU has provided assistance to ASEAN in a number of projects. Considering the EU's trade and development policy relevancy, this support is based on the foundation of regional integration, which aims to accelerate economic development and integrate ASEAN integration into the global economy. In general, economic integration will assist less developed countries in the region and regions to play a more potential role in the world economy and to narrow the gap of development among Member States.

Recently, the European Commission assisted and funded ASEAN under 'EU-ASEAN Capacity Building for Monitoring Integration Progress and Statistics' initiative and a project called 'EU-ASEAN Statistical Capacity Building Project (COMPASS)', through a series of workshop aimed at building capacity of ASEAN member states when reporting MDGs and SDGs for presenting achievements and statistical report. In addition, it aimed to help ASEAN member states to develop national systems and to set regional priority of SDG indicators for future monitoring and documentation.¹⁶⁷

Considering human impact on the planet, it has evidently accelerated global temperature, sea level rise, ocean acidification and other climate change impacts. These are seriously affecting coastal areas and low-lying coastal countries, including many least developed countries and small island developing states.

¹⁶⁶ Ibid. Page 9.

¹⁶⁷ ASEAN. Supporting the Sustainable Development Goals in ASEAN. Retrieved from <<http://compass.asean.org/supporting-the-sustainable-development-goals-in-asean/>>. Accessed on 4 November 2016.

Also, the world population has grown from 3 billion people to over 7 billion, and by 2050 it is expected to reach its peak somewhere around 10 billion. This growth has clearly appeared in developing countries, adding to poverty and potentially increasing demand on energy, food and raw materials, inter alia.¹⁶⁸

To strengthen ties and to handle this trend, bi-lateral mechanisms in which the EU and ASEAN already have in place, can be of strategic opportunities to address issues facing them and to help mitigate situations for other countries around the world.

In summary, these are evidence and reasons that confirm the connection between well-being and economic performance indicator, namely GDP, in which they can mutually share the future of prosperity and sustainability. The content of this research is aimed to be a part of the whole picture of global well-being in relation to Inter-regional relations between the EU and ASEAN. Although taking GDP on its own to measure growth is usually practiced, it is considered an incomplete measurement of the many facets of modern economy.¹⁶⁹ Nonetheless, GDP is still accepted and widely considered by governments, businesses and most people across the world to follow. As a result, it is the most controversial measurement of growth. Undeniably, this growth merely reflects an economic side, which covers the production and consumption of consumer goods and services, government services, and investment goods.¹⁷⁰

Therefore, changes must be initiated. As a consequence, study further in details based on region to region modus operandi and collaboration may be regarded as a window of opportunity for a clearer and greater understanding of well-being, which involves the EU and ASEAN status quos in the global picture of well-being as six reasons stated.

¹⁶⁸ EU. Sustainability Now! A European Vision for Sustainability. Retrieved from <https://ec.europa.eu/epsc/sites/epsc/files/strategic_note_issue_18.pdf>. Page 4. Accessed on 5 November 2016.

¹⁶⁹ What does GDP really tell us about economic growth? Retrieved from <<http://www.telegraph.co.uk/finance/economics/11159277/What-does-GDP-really-tell-us-about-economic-growth.html>>. Accessed on 5 November 2016.

¹⁷⁰ OECD Observer. Is GDP a satisfactory measure of growth? Retrieved from <http://www.oecdobserver.org/news/archivestory.php/aid/1518/Is_GDP_a_satisfactory_measure_of_growth_.html>. Accessed on 5 November 2016.

2.7 Summary

Considering a shortage of research in International Relations which involves social and/or public policy aspect like well-being, there is a need to elaborate further in this area. There are also a number of factors that involve the relations between the EU and ASEAN when pursuing trade and development policy. Therefore, an approach studied through the lens of well-being can help investigating the nature of interaction in a broader perspective rather than relying only on traditional approach, which often focuses on economic growth only. This effort can lead to the feasibility to analyze bloc's behavior in relation to the matters of well-being at regional level. In other words, it is beneficial to study subjective well-being and objective well-being when trying to figure out how states, blocs or regions pursue their interests either via trade or development policy or other channels.

It is worth saying that the study of well-being and its key factors at regional level can play its role as an alternative approach to connecting the dots between International Relations, Inter-regional Relations and social policy dimensions. Thus, it can complement the study of well-being both in terms of subjective well-being and objective well-being at individual and national levels as well as regional level. On top of that, it potentially paves a way towards the connection of well-being with global efforts like SDGs, strategies and achievable/deliverable outcomes.

CHAPTER III

KEY SELECTED FACTORS OF WELL-BEING AND THEIR SIGNIFICANCE TO TRADE AND DEVELOPMENT POLICY

"GDP is not a good measure of economic performance,

*it's not a good measure of well-being."*¹⁷¹

Professor Joseph Stiglitz

The EU and ASEAN are natural partners with similar regional aims and objectives. Relations between the two regional groupings can date back to 1977 when the 10th ASEAN Foreign Ministers Meeting agreed on the need for more formal relations. As a result, in 1980 ASEAN-EEC Cooperation Agreement became effective. The relationship has grown rapidly and expanded to cover a wide range of areas including political and security, economic and trade, social and cultural, and development co-operations.

Subsequently, the EU-ASEAN relations were guided by the Nuremberg Declaration on an EU-ASEAN Enhanced Partnership, which was adopted in 2007. This cornerstone Declaration consisted of 28 milestones and promises to be made between the two regional blocs.¹⁷² There were different areas of cooperation made between the EU and ASEAN. Two areas that directly involved trade and development were economic cooperation and development cooperation.

Concerning economic cooperation, the Nuremberg Declaration marked key joint intentions, which engaged both blocs as appears in the following statements:

¹⁷¹ World Economic Forum (WEF). GDP a poor measure of progress, say Davos economists. Joseph Stiglitz, a Nobel Prize-winning economist (2001). Retrieved from <<https://www.weforum.org/agenda/2016/01/gdp>>. Accessed on 25 November 2016.

¹⁷² European Commission. Nuremberg Declaration on an EU-ASEAN Enhanced Partnership. Retrieved from <http://eeas.europa.eu/asean/docs/2007_16_nuremberg_declar.pdf>. Accessed on 26 November 2016.

9. Utilize the Trans Regional EU-ASEAN Trade Initiative, TREATI as the foundation for regional economic operation between the EU and ASEAN, including to support the negotiation and implementation of FTA as well as regional integration goals and objectives, in particular the realization of the ASEAN Economic Community (AEC) by 2015.

10. Support the launch of negotiations between the EU and ASEAN aiming at the conclusion of FTA building on the platform of the WTO, while reaffirming the Doha Development Agenda as the priority for both the EU and ASEAN.

11. Strengthen cooperation in multilateral frameworks regarding regional aid and international trade and economy, including the World Trade Organization (WTO) and ASEM, to ensure equitable benefits from globalization and economic liberalization, taking into account the needs of developing and least developed countries, while appealing to WTO members to show a constructive commitment to bring the Doha negotiations to a successful close.

12. Encourage greater interaction of the private sector between ASEAN and the EU.

13. Create a conducive environment for more trade, investment and other economic activities between the EU and ASEAN.¹⁷³

In addition, in terms of development cooperation and areas of cooperation, the Nuremberg Declaration also mentioned as follows:

27. Welcome the EU's commitment to continue to support ASEAN Community building efforts, through the current and future ASEAN development cooperation programs, the implementation of Vientiane Action Program (VAP), its successor programs as well as the Initiative for ASEAN Integration (IAI) and other sub regional programs which would alleviate

¹⁷³ Ibid.

*poverty, narrow the development gap, and promote sustainable development and integration in ASEAN.*¹⁷⁴

According to this evidence of official statements, it can initially be concluded that the EU and ASEAN share common ideals and practices to develop both in trade and development areas in connection with well-being.

3.1 The EU and ASEAN on Well-being

According to the European Policy Center's research paper entitled 'What do citizens want? Well-being measurement and its importance for European social policy-making', which was conducted by Sotiria Theodoropoulou with Fabian Zuleeg, it proposes quality of life and public well-being for policy-makers of the EU to re-consider. Determinants which are proposed by the two researchers in relation to life satisfaction/quality of life are income, employment, health, education and environment.

For instance, the EU supports a long term development and well-being under the implementation of 'the Seventh Framework Program for Research and Technological Development'. It is an important funding for researchers working in Europe. Let's consider one aspect of this initiative, which is the 'Training and career development of researchers'. It has a budget of 4,750 million euro from 2007-2013. It aims at improving the well-being of EU's citizens and increasing economic growth. It encourages highly qualified researchers in the EU and all over the world to work on research in technology and other potential areas.¹⁷⁵ This shows that development can spill over to well-being. This also shows an undeniable international role of the EU as 'normative power Europe'. By the same token, partner states regard these strategies as 'mutual benefits', which is in line with a 'positive sum game'

¹⁷⁴ Ibid.

¹⁷⁵ China-EU Science & Technology Year. Retrieved from <http://ec.europa.eu/research/iscp/eu-china/about_en.html>. Accessed on 27 November 2016.

It is clear that the EU expects research and innovation will enhance employment, prosperity and a higher quality of life since these three indicators are parts of public well-being. This also illustrates how the EU has been trying to compromise social policy with other aspects of policy making. Thus, trade and development policies of the EU play an important role in reinforcing such policy. With this rationale, regional integration in Asia-Pacific in relation to the EU's international player perspective is undoubtedly a pivotal research issue that needs to be explored further.

On top of that there is more need for countries in Asia-Pacific and the EU to explore their relations in new themes in order to address the needs of citizens and the development of the EU and ASEAN, not only at elite levels but also at civil society level.¹⁷⁶

For instance, the EU has launched a project such as the 'Thailand-EU Cooperation Facility Phase II (TEC II)' in March 2011 in order to assist Thailand in furthering sustainable economic and social development and its integration into the world economy.'¹⁷⁷

However, this thesis will look at three key factors of well-being, namely; education, employment and health to be taken into account since these three elements can correspond with trade and development policy in connection with well-being while considering inter-regional relations between the two regional groupings.

3.2 Education

To illustrate, let's look at the EU's Treaty of Lisbon in relation to education. According to the Treaty of Lisbon, Article 165, the Union:

¹⁷⁶ Martin Holland and Natalia Chaban. EU in the Views of Asia-Pacific Elites: Australia, New Zealand and Thailand. The National Centre Research on Europe, University of Canterbury, New Zealand. December 2005. Page 19.

¹⁷⁷ Thailand – EU Cooperation Facility Phase II (TEC II). Retrieved from

<http://eeas.europa.eu/delegations/thailand/thailand_eu_coop/index_en.htm>. Accessed on 28 November 2016.

1. *shall contribute to the development of quality education by encouraging cooperation between Member States and, if necessary, by supporting and supplementing their action, while fully respecting the responsibility of the Member States for the content of teaching and the organization of education systems and their cultural and linguistic diversity...*
2. *Union action shall be aimed at:*
 - *developing the European dimension in education, particularly through the teaching and dissemination of the languages of the Member States,*
 - *encouraging mobility of students and teachers, by encouraging inter alia, the academic recognition of diplomas and periods of study,*
 - *promoting cooperation between educational establishments...*
3. *The Union and the Member States shall foster cooperation with third countries and the competent international organizations in the field of education and sport, in particular the Council of Europe.*
4. *In order to contribute to the achievement of the objectives referred to in this Article,:*
 - *the European Parliament and the Council, acting in accordance with the ordinary legislative procedure, after consulting the Economic and Social Committee and the Committee of the Regions, shall adopt incentive measures, excluding any harmonization of the laws and regulations of the Member States,*
 - *the Council, on a proposal from the Commission, shall adopt recommendations.*¹⁷⁸

These articles primarily promise to promote and support the EU's internal actions concerning education rather than international involvements. However, Section 3 of this Article gives rise to building cooperation with third countries and international organizations in the field of sport and education.

¹⁷⁸ The EU's Treaty of Lisbon. Retrieved from <<http://www.lisbon-treaty.org/wcm/the-lisbon-treaty/treaty-on-the-functioning-of-the-european-union-and-comments/part-3-union-policies-and-internal-actions/title-xii-education-vocational-training-youth-and-sport/453-article-165.html>>. Accessed on 30 November 2016.

In case of achievements in exporting the EU's soft power and norms, Erasmus Mundus program is infamous and internationally recognized. The contagious aspect of this program is lifelong learning supports and considered the largest international students exchange program. As a result, it is recognized as the most successful EU initiatives and best known European brand names.¹⁷⁹

In fact, the EU has been promoting sustainability for a number of years; first official document of EU Sustainable Development Strategy was adopted in 2001, and then renewed in 2006 and 2009 respectively.

Under this Sustainable Development Strategy, there are more than 130 sustainable development indicators; these are groups into 10 themes. Although education was not directly mentioned in Table 3.1 below, two others factors, health and employment were depicted.

Theme	Headline indicator
Socio-economic development	Real GDP per capita, growth rate and totals
Sustainable consumption and production	Resource productivity
Social inclusion	Persons at risk of poverty or social exclusion
Demographic changes	Employment rate of older workers

¹⁷⁹ Fact sheets on the European Union. Higher education. Retrieved from http://www.europarl.europa.eu/atyourservice/en/displayFtu.html?ftuld=FTU_5.13.4.html. Accessed on 30 November 2016.

Theme	Headline indicator
Public health	Healthy life years and life expectancy at birth, by sex
Climate change and energy	Greenhouse gas emissions Primary energy consumption
Sustainable transport	Energy consumption of transport relative to GDP
Natural resources	Common bird index
Global partnership	Official development assistance as share of gross national income
Good governance	No headline indicator

Table 3.1: EU's Sustainable Development Strategy's Theme and Headline indicator

Source: European Commission. Beyond GDP: Measuring progress, wealth and well-being.

In addition, the EU's Europe 2020 Strategy, which was adopted in 2010, aims at facilitating and supporting a more sustainable and inclusive growth of economy for the EU. Five headline targets to be achieved cover employment, investment in R&D, climate change and energy sustainability, education and fighting poverty as well as social exclusion.

Theme	Headline indicator	Target
Employment	Employment rate age group 20–64, total	75.0 (% of population)
R&D	Gross domestic expenditure on R&D	3.0 (% of GDP)
Climate change and energy sustainability	Greenhouse gas emissions	80.0 (% , index 1990 = 100%)
	Share of renewable energy in gross final energy consumption	20.0(%)
	Primary energy consumption	1483 (Million tonnes of oil equivalent)
	Final energy consumption	1086 (Million tonnes of oil equivalent)
Education	Early leavers from education and training, total	<10.0 (% of population aged 18–24)
	Tertiary educational attainment, total	>40.0 (% of population aged

Theme	Headline indicator	Target
		30–34)
Fighting poverty and social exclusion or social exclusion	People at risk of poverty	96.6 (Million people)

Table 3.2: Europe 2020 Strategy's Theme, Headline Indicator and Target

Source: European Commission. Beyond GDP: Measuring progress, wealth and well-being.

It is worth noting that the EU has set goals, indicators and plans for making its region towards a more sustainable future. By considering the Nuremberg Declaration, the EU's Europe 2020 Strategy and Sustainable Development Strategy, it is not unusual to select key issues that are in the central attention of the EU and ASEAN to weave inter-regional relations under trade and development policy.

Apart from the above mentioned rationale, OECD proposes key dimensions and their topics for considering well-being as appears in Table 3.3 as shown below.

Dimensions	Regional well-being indicators in the interactive web tool	National indicators in the Better Life Initiative
Income	<ul style="list-style-type: none"> Household disposable income 	<ul style="list-style-type: none"> Household net adjusted disposable income Household net financial wealth
Jobs	<ul style="list-style-type: none"> Employment rate Unemployment rate 	<ul style="list-style-type: none"> Employment rate Long-term unemployment rate Average annual earnings per employees Job tenure
Housing	<ul style="list-style-type: none"> Number of rooms per person 	<ul style="list-style-type: none"> Number of rooms per person Housing expenditure Dwellings without basic facilities
Health status	<ul style="list-style-type: none"> Life expectancy at birth Age adjusted mortality rate 	<ul style="list-style-type: none"> Life expectancy at birth Self-reported health status
Education and skills	<ul style="list-style-type: none"> Educational attainment 	<ul style="list-style-type: none"> Educational attainment Students cognitive skills (PISA) Years in education
Environmental quality	<ul style="list-style-type: none"> Air quality 	<ul style="list-style-type: none"> Air quality Satisfaction with water quality
Personal security	<ul style="list-style-type: none"> Homicide rate 	<ul style="list-style-type: none"> Homicide rate Self-reported victimization
Civic engagement and governance	<ul style="list-style-type: none"> Voter turnout 	<ul style="list-style-type: none"> Voter turnout Consultation on rule making
Accessibility of services	<ul style="list-style-type: none"> Broadband connection 	N/A
Work-life balance	N/A	<ul style="list-style-type: none"> Employees working very long hours Time devoted to leisure
Social connections	N/A	<ul style="list-style-type: none"> Social network support
Subjective well-being	N/A	<ul style="list-style-type: none"> Life satisfaction

Table 3.3: OECD Better Life Index and the Regional well-being tool

Source: OECD. OECD Better Life Index and the Regional well-being tool

As can be seen, the OECD's Better Life Index and Regional well-being, its key dimensions and indicators are contributing factors to select education as one of the key factors mentioned in this thesis.

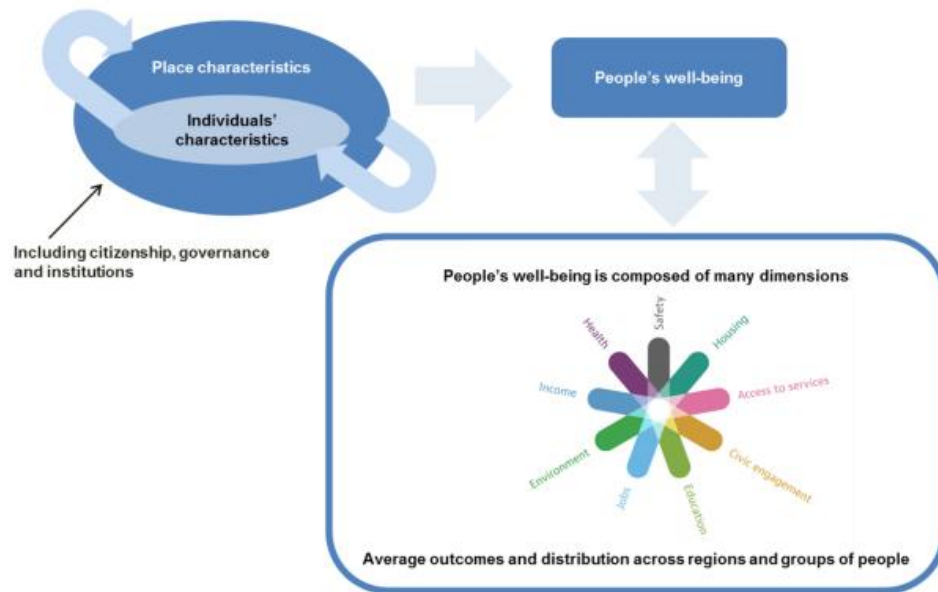


Figure 3.4: Regional Well-being conceptual model

Source: OECD. Regional Well-being conceptual model

Let's look at the Regional Well-being conceptual model as Figure 3.4 shown above, this concept expresses distinctive characteristics. Overall, it helps measure well-being where people experience it. It also focuses both on individuals and on place-based characteristics, as the interaction between the two shapes people's overall well-being.

This model concentrates on well-being outcomes that provide direct information on people's lives rather than on inputs or outputs. As can be seen, it is multi-dimensional and includes both material and non-material dimensions. Not only does it provide the assessment of well-being outcomes through averages, but it also assists in how they are distributed across regions and groups of people.

In addition, it includes citizenship, governance and institutions. It takes account of complementarities and trade-offs among the different well-being dimensions. Importantly, it looks at the dynamics of well-being over time, at its sustainability and at the resilience of different regions.¹⁸⁰

When using the OECD models of well-being in addition to the EU's 2020 Strategy to consider all involved factors, the result appears that selected key factors are health, education and employment in which the three factors carry the most meaningful characteristics that can fulfill well-being. The EU has been investing in all three factors.

Similarly, ASEAN focuses on the long term sustainability and regional prospect, with that concept, the three key factors can help strengthen its citizens and economic performance. Education is, therefore, worth to be one of the key issues in relation to inter-relational relations.

For instance, one form of education collaboration can be established under the setting of capacity building. This area is where ASEAN and the EU have been involved as evidence shown in the case of 'Carbon Footprint and Labelling, Thailand: Capacity building for Thai food industries.' This project was assisted by the EU in providing financial and technical assistance to Thailand. Capacity building activities enhanced the transfer of expertise and practical experience to Thai food industries, local academics and related parties so they received deeper and greater knowledge in carbon footprint analysis and management. Thus, this reflects the collaboration between EU research institutes and Thai universities.¹⁸¹

The EU's Europe 2020 Strategy mentions the long-term effect of insufficient investing, which would create a negative impact in society; therefore investing in policies affecting children is important. Currently, neither children nor parents and their families are considered as equal partners in the production of health, welfare and education which ultimately leads to well-being.¹⁸²

¹⁸⁰ OECD. Regional Well-being conceptual model. Retrieved from <<http://www.oecdregionalwellbeing.org/assets/downloads/Regional-Well-Being-User-Guide.pdf>>. Page 6. Accessed on 1 December 2016.

¹⁸¹ Europe Aid. Carbon Footprint and Labelling, Thailand: Capacity building for Thai food industries. Retrieved from <http://ec.europa.eu/europeaid/documents/case-studies/thailand_carbon-footprint_en.pdf>. Accessed on 1 December 2016.

¹⁸² Ilona Kickbusch. Learning for Well-being: A policy Priority for Children and Youth in Europe. A process for Change. Universal Education Foundation. 2012. Page 10-11.

In Europe, there is still a big problem in terms of investing in education and learning. Stakeholders from top policy to local levels are urged to correlate and make it happen by the EU Treaty, Article 3 of the Treaty of European Union (amended by the Lisbon Treaty), which reads “to promote peace, its values, and the well-being of its peoples.”¹⁸³ In addition, there is a need to support children and young people in developing their capabilities and competences so that they can achieve their full potential.¹⁸⁴

Why does education matter for well-being? According to OECD, education can have many private returns, to skills, employment, health and civic engagement. Moreover, there is evidence that education is important to social returns, which can affect the overall productivity of places, reduce crime rates and increase political participation. To elaborate, the industrial mix and a solid base of human capital help make regions competitive and attractive to employers. Evidence also shows that the more divergence in educational levels, the larger the gap in labor productivity and salaries, in which it can have an impact on most workers, in particular for highly-skilled and low-skilled workers.¹⁸⁵

In the case of developing countries, additional barriers like poverty and inequality can make it impossible for low-income earners to reap the benefits of enhanced opportunities. The extreme restrictions as a result of poverty can leave these people without the ability to use new possibilities, which is likely the usual outcome of the existing education systems. A major challenge is to improving opportunities and quality of education as well as providing easier access for the least well-off citizens in developing countries.¹⁸⁶

¹⁸³ European Policy Center. EU Objectives. Retrieved from <<http://www.europeanpolicy.org/en/eu-facts/objectives.html>>. Accessed on 5 December 2016.

¹⁸⁴ Ibid. Page 12.

¹⁸⁵ OECD. Regional Well-being conceptual model. Retrieved from <<http://www.oecdregionalwellbeing.org/assets/downloads/Regional-Well-Being-User-Guide.pdf>>. Page 18. Accessed on 5 December 2016.

¹⁸⁶ Hans Pitlik and Martin Rode. Free to choose? Economic freedom, relative income, and life control perceptions. International Journal of Wellbeing. 2016. Page 96.

Recently, ASEAN announced the 'Declaration on Strengthening Education for Out-of-School Children and Youth.' It aims to keep its commitment to the spirit of UN Sustainable Development Goal 4, which says to "ensure inclusive and equitable quality education and promote lifelong learning opportunities for all by the year 2030." In addition, it follows 2015 Incheon Declaration: Education 2030 as well as the UNESCO Education 2030 Framework for Action.

In particular, the economic cost of education can reflect how crucial it is for education in developing regions. There are approximately 3.2 million children out of school in ASEAN. As a consequence, enormous societal economic cost, accounting for approximately 26 billion US dollars, is calculated for the loss of opportunities. In Thailand, there are approximately 380,000 children fall in this group, of which more than 200,000 are primary school children. According to UNESCO estimate, the societal cost to Thailand is around 6.5 billion US dollars, meaning if the children had opportunity to go to school and graduate, they would have better employment opportunities, thus they could contribute to the economy. In Indonesia, there are 1.9 million children out of school. Other ASEAN member states experience the same problem.¹⁸⁷

As mentioned earlier, in accordance with Article 165 of the Treaty of Lisbon, the EU regards education as "the Union shall contribute to the development of quality education by encouraging cooperation between Member States and ..." ¹⁸⁸ To enhance this Article 165, the EU strengthens its effort under human rights value as evidence shows in the case of "Migration and Asylum: A brighter future for Karen refugees" project, in which it coincides with the UN's MDG Goal 2. The central spirit of this project is developed around the belief that everyone has the right to education.

¹⁸⁷ John Draper and Peerasit Kamnuansilpa. Tackling economic cost of poor education. Retrieved from <<http://www.bangkokpost.com/opinion/opinion/1100893/tackling-economic-cost-of-poor-education>>. Accessed on 10 December 2016.

¹⁸⁸ Treaty of Lisbon. Retrieved from <<http://www.lisbon-treaty.org/wcm/the-lisbon-treaty/treaty-on-the-functioning-of-the-european-union-and-comments/part-3-union-policies-and-internal-actions/title-xii-education-vocational-training-youth-and-sport/453-article-165.html>>. Accessed on 10 December 2016.

Accordingly, it is elaborated in this project as “Education is a fundamental right for all. Yet in the camps it takes on added significance. Schools are highly valued as children are seen as the key to community and cultural survival. Access to schools also provides for a sense of normalcy in refugees’ daily life, otherwise severely affected by the years spent living in camps and the traumatic reminiscences of flight.”¹⁸⁹

3.3 Health

Let’s turn to consider why health is another key factor contributing to the study of well-being in this thesis.

A good health status of a person is associated positively with the perception of control over one’s own life when compared with those who are subjectively perceived bad health.¹⁹⁰

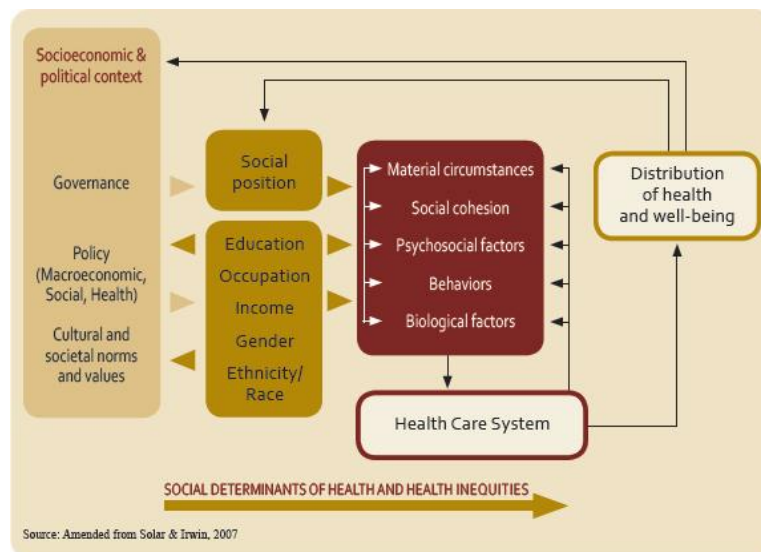


Figure 3.5: World Health Organization’s Social Determinants of Health Conceptual Framework

Source: CDC. World Health Organization’s Social Determinants of Health Conceptual Framework.

¹⁸⁹ European Commission. Europe Aid. Migration and Asylum: A brighter future for Karen refugees. Retrieved from <http://ec.europa.eu/europeaid/documents/case-studies/thailand_migration-asylum_en.pdf>. Accessed on 12 December 2016.

¹⁹⁰ Hans Pitlik and Martin Rode. Free to choose? Economic freedom, relative income, and life control perceptions. International Journal of Wellbeing. 2016. Page 85.

3.3.1 Global health as major issue in International Relations

As health and its challenges face global actors both at regional and international levels, frame of thought for health mentioned in 'Global Health and International Relations' by Colin McInnes and Kelley Lee is potentially applicable when discussing health in regional, international and global contexts.¹⁹¹

Interestingly, how health issue has become more global and has affected the global concerns as identified by the two scholars are as follows:

- *New geographical distributions of disease vectors,*
- *The emergence of novel infections,*
- *Increased drug resistance,*
- *Changing epidemiological patterns of health and disease,*
- *Innovations in global information and communication technologies that influence health,*
- *Changing patterns of health-related human behavior,*
- *The global restructuring of health-related industries, and*
- *Innovations in institutional mechanisms for collective action on health.*¹⁹²

Health has been among the top agenda for political summits around the world for the last two decades. International important fora such as World Economic Forum (WEF), G8, UN Assembly, to name but a few, have given unprecedented attention to global health issues. For example, a lot of funding has been poured into the fight against HIV/AIDS, tuberculosis and Malaria; this is not in the case of international organization like the World Health Organization (WHO) but also for private philanthropies like Bill and Melinda Gates Foundation as well. The explanation to this phenomenon is that "it is in response to real world change; that is, as the world has become more globalized so too has health."¹⁹³

¹⁹¹ Colin McInnes and Kelley Lee. Global Health and International Relations. Polity Press. UK. 2012.

¹⁹² Ibid. Page 9.

¹⁹³ Ibid. Page 7.

Before moving on further, it is worth looking at the definition of global health. According to the Global Health Action document, Koplan et al. defines global health as “an area for study, research, and practice that places a priority on improving health and achieving health equity for all people worldwide.”¹⁹⁴

In addition, Robert Beaglehole and Ruth Bonita propose an improved definition of global health as “collaborative trans-national research and action for promoting health for all.” This is to emphasize the importance of crucial need for collaboration and action-orientated approach.¹⁹⁵

Moreover, Ilona Kickbusch and Martina Marianna Cassar Szabo define ‘global health’ as “those health issues which transcend national boundaries and governments and call for actions on the global forces and global flows that determine the health of people. Governance in this transnational and crosscutting arena can be analyzed along three political spaces: global health governance, global governance for health, and governance for global health.”¹⁹⁶

Therefore, global health needs a new perspective and careful attention as Figure 3.6 illustrates the interconnection of global health and governance as follows:

¹⁹⁴ Robert Beaglehole and Ruth Bonita. What is global health? Retrieved from <<http://www.globalhealthaction.net/index.php/gha/article/view/5142>>. Accessed on 16 December 2016.

¹⁹⁵ Ibid.

¹⁹⁶ Ilona Kickbusch and Martina Marianna Cassar Szabo. A new governance space for health. Retrieved from <<http://www.globalhealthaction.net/index.php/gha/article/view/23507/html>>. Accessed on 17 December 2016.



Figure 3.6: Global health governance along with three political spaces

Source: Ilona Kickbusch and Martina Marianna Cassar Szabo. A new governance space for health.

In addition, a document produced by WHO entitled 'Global health diplomacy: the need for new perspectives, strategic approaches and skills in global health' mentioned that the global health issues and its diplomatic relations brought about new frontier in which opportunities have been open for collaborations among people. As Ilona Kickbusch puts it as follows, "no longer do diplomats just talk to other diplomats — they need to interact with the private sector, nongovernmental organizations, scientists, activists and the media, to name but a few, since all these actors are part and parcel of the negotiating process."¹⁹⁷

¹⁹⁷ WHO. Global health diplomacy: the need for new perspectives, strategic approaches and skills in global health. Retrieved from <<http://www.who.int/bulletin/volumes/85/3/06-039222/en/>>. Accessed on 20 December 2016.

The World Health Organization (WHO) took the matter of health further by marrying it with trade issue. To illustrate, WHO proposed that “international trade and trade rules maximize health benefits and minimize health risks, especially for poor and vulnerable populations. The focus is to strengthen capacities in the ministries of health to best enable them to work effectively with their colleagues in the ministries of trade, commerce and finance in efforts to shape and manage the trade policy environment for health.”¹⁹⁸

On top of that, WHO provided the Diagnostic Tool on Trade and Health by legislating the WHA Resolution 59.26 on International Trade and Health which “calls upon WHO to provide support for Member States to understand the implications of international trade and trade agreements for health and to address relevant issues through policies and legislation.”¹⁹⁹

Furthermore, health has become widely accepted as an issue beyond national boundary and is in need of multi-lateral collaborations, not only at national or private sectors but also at regional and global levels.

To better understand the issue of health at global level, Colin McInnes and Kelley Lee developed a model called ‘Competing frames in global health’ to help explain the critical role and how health issues are normatively framed and political purchase.

Five dominant frames are as follows:

1. *Evidence-based medicine (EBM)*

This frame encourages and reinforces positivist, rationalist ways of reasoning. It actively promotes the use of statistics, elevating this form of enquiry above all others. Decision should be based on the best available scientific evidence using epidemiological and biostatistical ways of thinking. Use of this frame is often identifiable by the tendency to refer to ‘evidence’ to support decision making.

¹⁹⁸ World Health Organization (WHO). Trade and Health. Retrieved from http://www.who.int/trade/trade_and_health/en/. Accessed on 22 December 2016.

¹⁹⁹ World Health Organization (WHO). Diagnostic Tool on Trade and Health. Retrieved from http://www.who.int/trade/trade_and_health/Diagnostic_Tool_on_Trade_Summary.pdf?ua=1. Accessed on 22 December 2016.

2. Human rights

This frame is based on the idea that public health policies should be based on the principles of dignity and respect for the individual. Programmes and practices should not violate human rights obligations concerning the avoidance of coercion and discrimination (including access to health care) and the promotion of transparency and community involvement. Links are often made to various international declarations on human rights.

3. Economism

This frame is based on assumptions that demand for health is inelastic (if you are ill, your demand for treatment does not vary with your income or the price of the treatment), and that the resources that can be devoted to health are scarce. The frame therefore lends itself to arguments about efficiency, choice and competitiveness in the distribution of scarce resources.

Economics may also be used to demonstrate the value of health interventions in promoting economic growth, which in turn feeds back to increased resources for health or improved living standards which reduce health vulnerabilities.

4. Security

The underlying logic common to all forms of security is that of threat and defense. Health is framed as a security issue when it is presented as a threat to someone or something, and as something against which defensive measures (either in the form of prevention or response) must be taken.

5. Development

This frame is based on the idea that policies and practices should improve conditions in the 'Third World' where the 'First World' becomes something of a benchmark for measurement. Its central idea has traditionally been that of a binary divide in the international system between the 'haves' and 'have-nots' (usually expressed in economic terms) and the responsibilities of the latter to assist the former. Development as a frame, however, has so far proven itself to be notoriously

*difficult to grasp, largely as a result of how it overlaps with the other frame and adapts them within it.*²⁰⁰

When using this frame to conceptualize the relations between the EU and ASEAN, the current situation reflects mutual connection and cross-functional collaborations. Although the frame 'Development' can help analyze the existing forms of collaboration, it still needs other theory to help explain different angles and cooperation under various circumstances.

From OECD's point of view, health covers one's state of being healthy from birth to death as terms used by OECD entails 'life expectancy at birth', 'age adjusted mortality rates', 'mortality rate', and 'age-specific death rates'. According to OECD, most countries in richer regions tend to have a higher number of doctors and lower mortality rate.²⁰¹

Health is also regarded as an important input when considering well-being in connection with economic performance. This is in addition to age, lifestyle, social status, learning and social ties as well as interpersonal support. To put it academically, health plays a part of fulfilling human capital.²⁰²

As a result, health issue has gained attention greater than the past and being supported by multi-lateral initiatives. This as well can be applied to the development and evolution of inter-regional relations between the EU and ASEAN as the EU helps support many health projects/initiatives to ASEAN. For instance, the European Commission funded 'Fight against HIV & AIDS' project (2002-2007), which provided care and support for women and children in areas of Thailand with high HIV and AIDS prevalence²⁰³ and 'Fight against HIV/AIDS' project (2004-2007), which provided HIV/AIDS prevention and care among youths through a Cambodia-Thailand partnership.²⁰⁴

²⁰⁰ Colin McInnes and Kelley Lee. Global Health and International Relations. Polity Press. UK. 2012. Page 18-19.

²⁰¹ OECD. Regional well-being: a user's guide. Retrieved from <http://www.oecdregionalwellbeing.org/assets/downloads/Regional-Well-Being-User-Guide.pdf>. Page 16. Accessed on 25 December 2016.

²⁰² OECD. The Well-being of Nations: the role of human and social capital. Retrieved from <http://www.oecd.org/site/worldforum/33703702.pdf>. Page 13. Accessed on 25 December 2016.

²⁰³ Europe Aid. Fight against HIV & AIDS. Retrieved from http://ec.europa.eu/europeaid/documents/case-studies/thailand_fight-against-aids_en.pdf. Accessed on 25 December 2016.

²⁰⁴ Europe Aid. Fight against HIV & AIDS. Retrieved from http://ec.europa.eu/europeaid/documents/case-studies/cambodia-thailand_health_en.pdf. Accessed on 25 December 2016.

These two projects sought to achieve two objectives which were to prevent the risk associated with sexual behavior in youth in and out of school and to decrease the HIV-related morbidity and mortality in People Living with HIV/AIDS (PLHAs).

3.4 Employment

Before long after the inception of Lisbon Strategy, the European Trade Union Confederation (ETUC) came up with a new strategy named “Post 2010 Lisbon Strategy: ETUC’s Initial Contribution”. It called for the EU to address mass unemployment crisis in the EU in order to increase social protection.

One strategy clearly states that “employment must be at the top of the EU’s agenda. Europe needs to achieve full employment, combined with safe and secure labor markets. The ETUC firmly rejects a policy approach whereby workers are being put under pressure to become more flexible leading to risks of wider income gaps, more atypical jobs and less coverage of social protection systems.”²⁰⁵

A status of employment of a person, either being an employee or self-employed, has a positive effect on well-being. In particular, self-employed people may find themselves in a position to have more control over their own life course. On the other hand, if being unemployed, it may be expected that that person is inclined to be associated with a reduced perceived life control. In addition, people with a fulltime job are more likely to find themselves in a better position and have ability to control their lives regardless of their relative income.²⁰⁶

²⁰⁵ Post 2010 Lisbon Strategy: ETUC’s Initial Contribution. Retrieved from <https://www.etuc.org/sites/www.etuc.org/files/09-EN-Post-2010-Lisbon-Strategy-ETUC-position_1.pdf>. Accessed on 29 December 2016.

²⁰⁶ Hans Pitlik and Martin Rode. Free to choose? Economic freedom, relative income, and life control perceptions. International Journal of Wellbeing. 2016. Retrieved from <<http://www.internationaljournalofwellbeing.org/index.php/ijow/article/viewFile/390/535>>. Page 85. Accessed on 29 December 2016.

According to the recent the UN's Global Human Development Index 2015 Report, work is regarded as one of key factors that fulfills human development and human capabilities as Figure 3.7 illustrates below.



Figure 3.7: Dimensions of Human Development

Source: UNDP. Work and Human Development are synergistic.

Human Development Report 2015.

The importance of employment or work mentioned in UN's Global Human Development Index is in line with the current UN' Sustainable Development Goals (SDGs). According to Figure 3.8, employment and decent work are clearly mentioned in Goal 8, which states "Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all."

Sustainable Development Goals

- Goal 1. End poverty in all its forms everywhere
- Goal 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture
- Goal 3. Ensure healthy lives and promote well-being for all at all ages
- Goal 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
- Goal 5. Achieve gender equality and empower all women and girls
- Goal 6. Ensure availability and sustainable management of water and sanitation for all
- Goal 7. Ensure access to affordable, reliable, sustainable and modern energy for all
- Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
- Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
- Goal 10. Reduce inequality within and among countries
- Goal 11. Make cities and human settlements inclusive, safe, resilient and sustainable
- Goal 12. Ensure sustainable consumption and production patterns
- Goal 13. Take urgent action to combat climate change and its impacts*
- Goal 14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development
- Goal 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
- Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
- Goal 17. Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development

Figure 3.8: UN's Sustainable Development Goals (SDGs)

Source: The United Nations. Transforming Our World: The 2030 Agenda for Sustainable Development.

For OECD, job or work is regarded as a strong determinant of people's life. OECD further stresses that job quality is a strong determinant of one's life satisfaction. This is because people spend majority of their daily lives at work and they work for most part of their lives. Some aspects relating to job quality are such

as work autonomy, interactions with colleagues and support from managers as well as earnings and job security. All these factors eventually contribute to people's well-being.

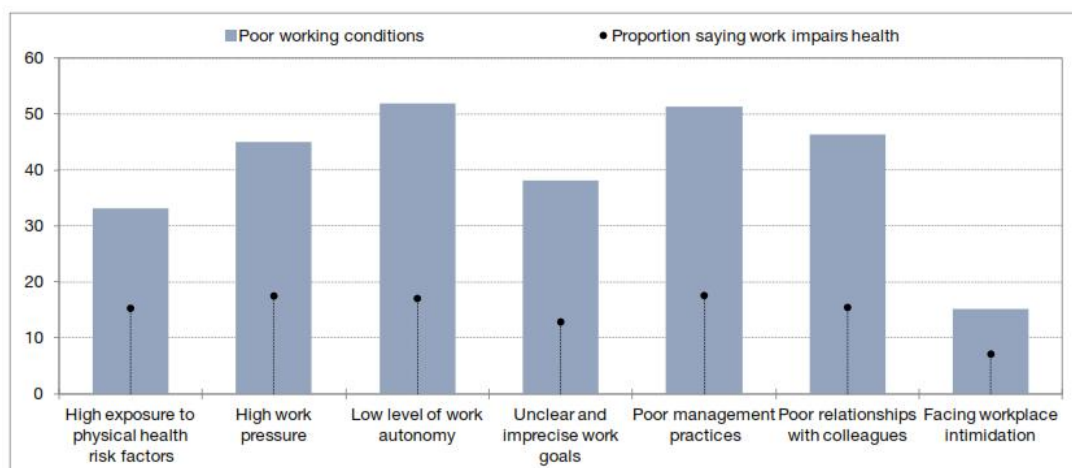


Figure 3.9: Share of workers with poor working conditions and shares of those reporting a negative impact on health in average across 22 European countries, 2010

Source: OECD. Measuring well-being and progress.

The relationship between job quality and well-being at work is inter-related as Figure 3.9 illustrates how workers in the EU face stressful working condition more than proportion of work that impairs health.

3.5 Well-being and Inclusive Growth

The idea of inclusive growth is broadly associated with economic growth. Although economic growth is important, it is insufficient for welfare improvements, unless the growth benefits are fairly shared among people and different groups. Economic growth potentially contributes to non-material dimensions, such as health and education. Therefore, if one is employed, he/she is more likely to distribute income and non-

income dimensions that matter for him/herself and people around him/her and this is regarded as the key aspect of inclusive growth.²⁰⁷

According to OECD's Inclusive Growth (Inclusive Growth: Concepts, Methods and Work Ahead) project, monetary measure of living standards in addition to some selected non-income dimensions of well-being and their distributional aspects can generate growth. On top of this, the risk of unemployment and health status can also be regarded as important dimensions for consideration, along with household income, for tracking the inclusiveness of growth.

Inclusiveness of growth is basically captured by looking at three dimensions of well-being, which are income, jobs and health. They are usually put under one umbrella, which is entitled 'living standards.'

Considering Figure 3.10, if a state or a region has concise policy as appears on the left hand side as 'Economic, Financial Competition', 'Labor, Social, Health policies' and 'Education policies', along the process which leads to the output and outcomes can guarantee the distribution of growth on living standard, though impact assessment is not yet conducted.

²⁰⁷ OECD/Ford Foundation Workshop on Changing the Conversation on Growth Going Inclusive. Inclusive Growth: Concepts, Methods and Work Ahead. Retrieved from <https://www.oecd.org/inclusive-growth/meetings/Background%20Notes_IG%20Workshop_27%202%202014_US.pdf>. Page 6. Accessed on 2 January 2017.

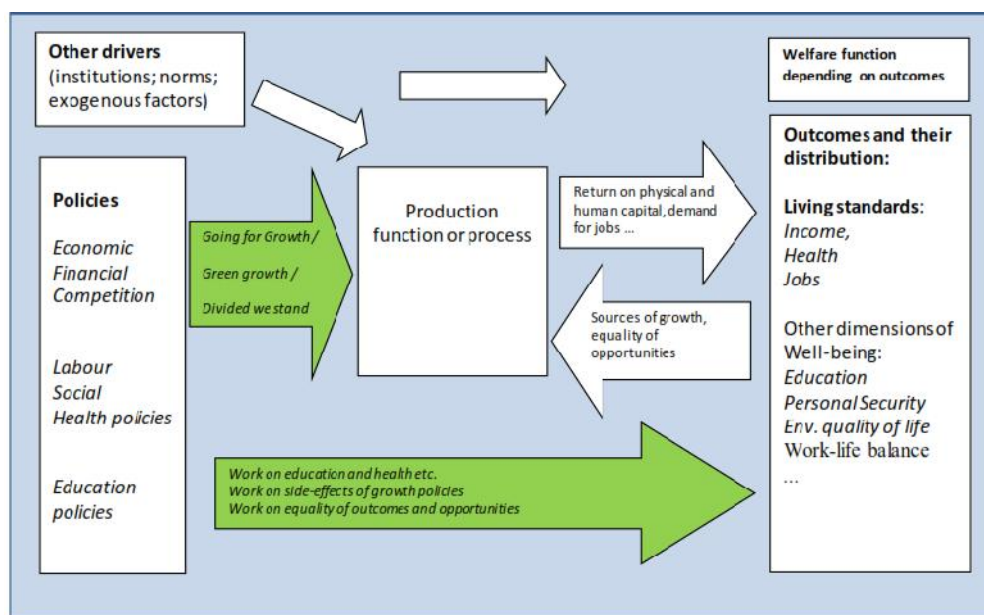


Figure 3.10: Inclusive Growth: A framework for policy analysis

Source: OECD/Ford Foundation Workshop on Changing the Conversation on Growth Going Inclusive. Inclusive Growth: Concepts, Methods and Work Ahead. 2014.

In general, OECD approach focuses on well-being, i.e. economic, natural, human and social capital. In terms of human capital, employment is a key contributing factor that can ensure the highest quality of human being can develop him/herself to his/her fullest potential. Employment also complements existing indicators that are based on years of schooling and levels of competencies.

Human capital is unavoidably affected by a variety of factors, such as education attainment, labor market and demographic factors. There is no doubt that if one possesses the higher or greater quality of job, the better the well-being. In this regard, quality jobs for greater well-being and quality of employment in relation to well-being in the workplace are becoming more critical issues in many OECD countries.²⁰⁸

²⁰⁸ OECD. *How's Life? 2013: Measuring Well-being* (Summary), OECD Publishing, Paris. 2013. Retrieved from <<http://dx.doi.org/10.1787/9789264201392-sum-en>>. Accessed on 5 January 2017.

One way to measure how employment can contribute to well-being is to look at unemployment since it not only has an impact on financial implications but also on other aspects of life and living standards. Income is undoubtedly related to utility, job loss or being unemployed, which can lead to lower levels of well-being. The impact of unemployment on well-being goes beyond the loss of income. To elaborate, unemployment produces a loss of social status, self-esteem, social life, and confidence; as a result it diminishes other factors that matter for a good quality of life.

Detrimental effects of unemployment can have an impact upon unemployed individuals' family members and on their communities. On a larger scale, the effects of job insecurity and of potential unemployment have a negative effect on those who are employed. Consequently, the "negative effects of unemployment are greater for working class employees, for countries with higher income inequalities, and for nations with lower levels of unemployment protection."²⁰⁹

Thus, the term 'shadow prices' is academically used to explain how crucial adverse impact of unemployment on quality of life is.²¹⁰ Therefore, public policies within a state or a region or even between nations/regions that are aimed at protecting people's well-being are extremely necessary.

3.6 Why Integrates Health, Education and Employment Factors into the Study of Well-being in relation to Trade and Development Policy of the EU towards ASEAN?

According to the Council of Europe, "the well-being of one part of humanity is unattainable if another part is in a state of ill-being or if it is to be achieved at the expense of future generations who thereby inherit an uncertain world stripped of resources."²¹¹

²⁰⁹ Alejandro Adler and Martin E. P. Seligman. Using wellbeing for public policy: Theory, measurement, and recommendations. *International Journal of Wellbeing*, 6(1), 1-35. 2016. Page 13-14.

²¹⁰ Ibid.

²¹¹ Ilona Kickbusch. Learning for Well-being: A policy Priority for Children and Youth in Europe. A process for Change. Universal Education Foundation. 2012. Page 23.

Therefore, it is crucial to consider well-being, societal and global well-being since it is now well-being has constructively been given prominence for some time. In the EU, there have been surveys regarding quality of life being conducted regularly. Also, evidence from research in terms of interconnectedness between personal well-being and social well-being have led society to cultivate a positive mindset as opposed to 'business as usual' mantra.

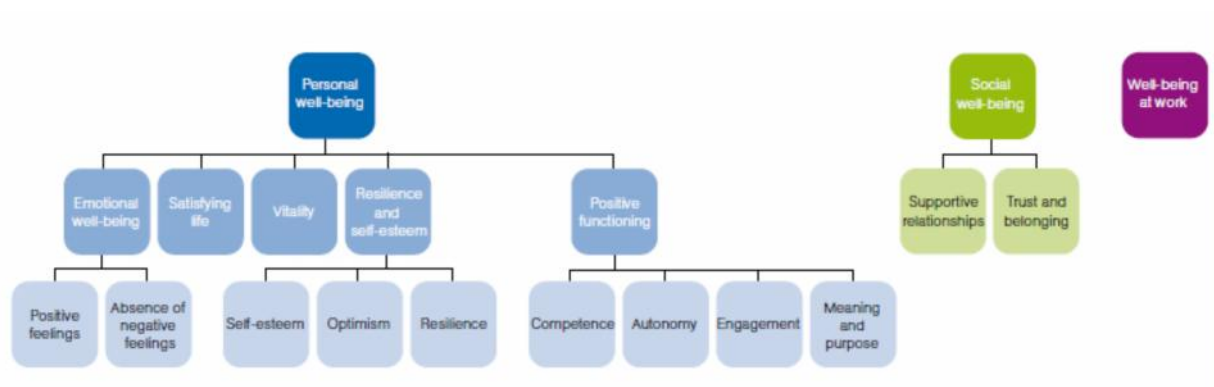


Figure 3.11: Indicator structure within example national accounts framework

Source: New Economics Foundation (NEF). National Accounts of well-being: bringing real wealth onto the balance sheet.

According to the New Economics Foundation (NEF)'s framework shown above, personal well-being consists of five sub-components, which are Emotional well-being, Satisfying life, Vitality, Resilience and Self-esteem and Positive functioning. Concerning 'Social well-being', it is made up of two components, which are 'Supportive relationships' and 'Trust and belonging.' There is another indicator that NEF proposes to be a satellite indicator that is Well-being at work, interestingly it corresponds and complements OECD's well-being in the workplace. This helps in assessing job satisfaction, work-life balance, emotional experience of work and work conditions.

The NEF's National Accounts framework, according to Figure 3.12, shows that Switzerland ranks the top whereas relatively new member states of the EU like Slovakia falls behind. How can we interpret two lines is as follows: Solid line shows the result of which country performs best for personal and social well-being correlation. For Dashed line, it indicates a notional position of countries scoring equally on personal and social well-being.

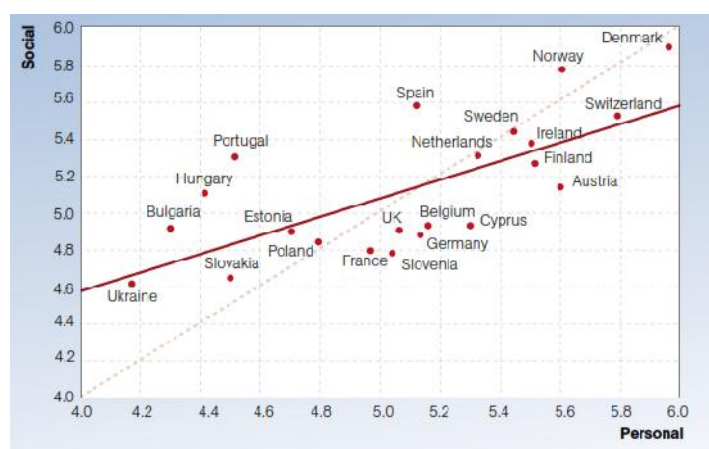


Figure 3.12: Personal and social well-being in European Countries

Source: New Economics Foundation (NEF). National Accounts of well-being: bringing real wealth onto the balance sheet.

Overall, the EU member countries' personal well-being scores vis-a-vis their social scores appear to be in a moderate level of the correlation between the two indicators. Take Denmark, Norway and Switzerland, they clearly perform well on both indicators, however Central and Eastern European countries like Estonia, Poland and Slovakia have higher scores on social well-being than personal well-being. Following this outcome, a crucial task for policymakers in the EU is to identifying and promoting elements of personal well-being and social well-being relationships. There have been efforts in the EU to combine subjective well-being and objective well-being and their relevant indicators into a single umbrella. NEF also offers an overarching frame to counterbalance GDP as appears below.

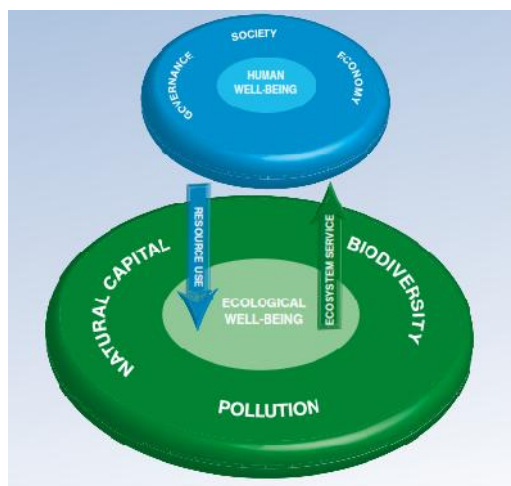


Figure 3.13: An overarching structure for National Indicators

Source: New Economics Foundation (NEF). National Accounts of well-being: bringing real wealth onto the balance sheet.

One can see that to reach well-being at both personal and societal levels, factors and means in the process such as health, education, and employment can help enhance and facilitate such aim.

In 2010, the EU launched a ten year strategic plan, which is Europe 2020 strategy. This strategy was set out to consolidate and reinforce priorities that can help Member States deliver high levels of employment, productivity and social cohesion. The ambitious objectives of this Strategy are on employment, innovation, education, social cohesion and climate/energy.²¹² To put it simply, Europe 2020 is created to address jobs and growth strategy.

Three mutually reinforcing priorities are 1) Smart growth: developing an economy based on knowledge and innovation, 2) Sustainable growth: promoting a more resource efficient, greener and more competitive economy and 3) Inclusive growth: fostering a high-employment economy delivering social and territorial cohesion.

²¹² European Commission. Europe 2020. Retrieved from <http://ec.europa.eu/europe2020/index_en.htm>. Accessed on 3 February 2017.

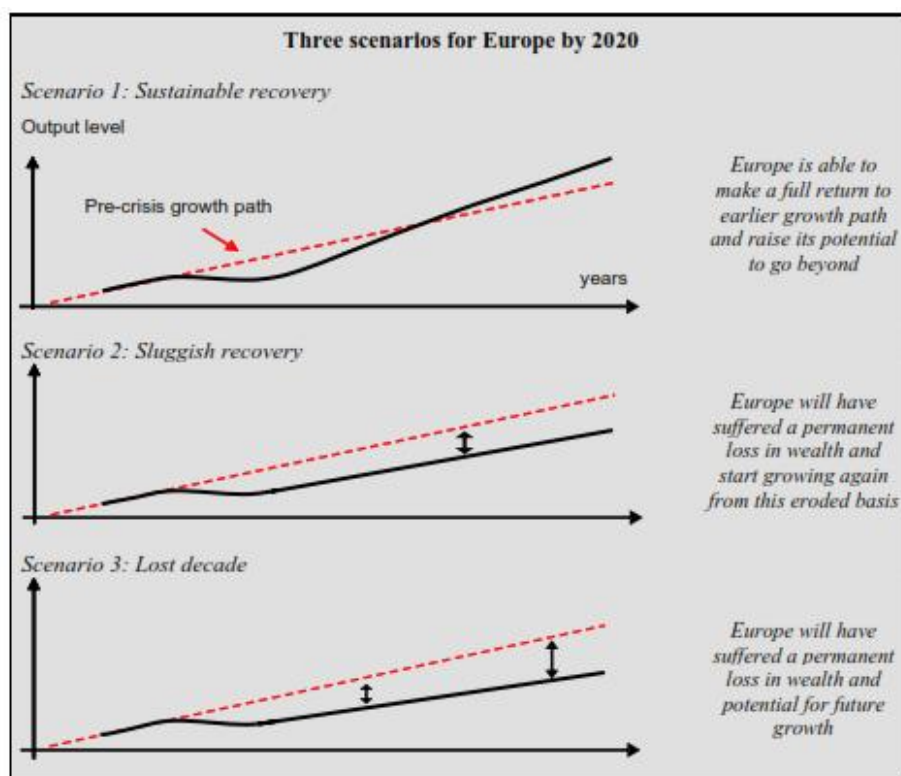


Figure 3.14: Three scenarios for Europe by 2020

Source: Europe 2020: A strategy for smart, sustainable and inclusive growth.

Considering Figure 3.14, the EU interestingly projects three scenarios for its region by 2020, which are 1) Sustainable recovery, 2) Sluggish recovery, and 3) Lost decade.

It is clear that all related resources will be pooled to address priorities set by the EU. One of strategies, which directly and indirectly engaging developing countries like most countries in ASEAN, clearly states that “a part of the growth that Europe needs to generate over the next decade will need to come from the emerging economies as their middle classes develop and import goods and services in which the European Union has a comparative advantage. As the biggest trading bloc in the world, the EU prospers

by being open to the world and paying close attention to what other developed or emerging economies are doing to anticipate or adapt to future trends.”²¹³

Globalization and global growth help open up new opportunities for exporters and competitive access to vital imports. All instruments of external economic policy need to be deployed to foster European growth throughout participation in open and fair markets worldwide. The EU views that an open Europe, operating within a rules-based international framework, is the most feasible route to exploit the benefits of globalization that will realistically boost growth and employment.

Considering trade policy, the EU looks at the world stage, and wishes to play a leading role in shaping the future global economic order through the G20, pursuing the European interest through the active deployment of all the tools at the EU's disposal.²¹⁴ Related trade platform like WTO is considered a legitimate channel for the EU to secure better market access for its business, including SMEs, and a level playing field vis-à-vis various competitors. In addition, new areas such as climate change and green growth, as well as expanding a global reach by promoting equivalence, mutual recognition and convergence on key regulatory issues, as well as the adoption of the EU rules and standards are indispensable.

Europe 2020 strategy clearly states that it offers considerable potential to candidate countries and partners in expanding areas where EU rules are applied in which it will create new opportunities for both the EU and its partners. In addition, building strategic relationships with emerging economies to discuss issues of common concern, promote regulatory and collaborations as well as resolve bilateral issues are deemed as constructive engagement.

In terms of development policy, the EU as a global player assumes the duty of international responsibilities. It has been developing partnerships with developing countries to eradicate poverty, to promote growth and to fulfil the Millennium Development Goals (MDGs).²¹⁵

²¹³ Ibid. Page 22-23.

²¹⁴ Ibid.

²¹⁵ Ibid. Page 24.

As previously mentioned, under the Europe 2020 Strategy, three main targets are Smart growth, Sustainable growth and Inclusive growth. Possible collaborations can go under flagship areas of Smart growth which are as follows: Smart growth consists of Innovation, Education and Digital Society. For 'Sustainable growth', flagship topics are Climate, energy and mobility. Lastly, 'Inclusive growth' thematic areas compose of employment and skills and fighting poverty.²¹⁶

New amendments to Europe 2020 Strategy consist of two sets of main guidelines. The first one is Recommendation for a Council Recommendation on broad guidelines for the economic policies of the Member States and of the Union. There are four guidelines altogether, which are improving employment, boosting investment, enhancing growth by the Member States implementation of structural reforms, removing key barriers to growth and jobs at Union level, and improving the sustainability and growth-friendliness of public finances.²¹⁷

The second one is Council Decision on guidelines for the employment policies of the Member States. Guidelines compose boosting demand of labor, enhancing labor supply and skills, enhancing the functioning of labor markets, and ensuring fairness, combatting poverty and promoting equal opportunities.²¹⁸

It is worth noting that health, education and social protection are the EU priorities when dealing with development in relation to sustainable development. The EU's s Agenda for Change mentions clearly states that "Inclusive and sustainable growth for human development: recognizing that inclusive and sustainable economic growth is crucial to long-term poverty reduction, the EU shall strengthen its action on social protection, health and education..."²¹⁹

²¹⁶ Ibid. Page 32.

²¹⁷ European Commission. Recommendation for a Council Recommendation on broad guidelines for the economic policies of the Member States and of the Union. Retrieved from <http://ec.europa.eu/europe2020/pdf/europe2020_guidelines_part1_en.pdf>. Page 1-4. Accessed on 1 March 2017.

²¹⁸ European Commission. Council Decision on guidelines for the employment policies of the Member States. Retrieved from <http://ec.europa.eu/europe2020/pdf/europe2020_guidelines_part2_en.pdf>. Page 1-4. Accessed on 3 March 2017.

²¹⁹ European Commission. EU Communication on the Agenda for Change. Retrieved from <<https://ec.europa.eu/europeaid/node/1365>>. Accessed on 4 March 2017.

After considering scenarios and related factors, it is feasible that well-being and three key factors can undergo and correspond to trade and development policy. However, to what extent they can be implemented is another issue since they are normally seen as a nation's responsibilities, in particular for ASEAN. Thus, external assistance from the EU towards ASEAN can potentially play a key role once policy direction is clearly set and joint collaborations are reached.

3.7 Well-being in connection with an online community

The world is getting more complex and inter-connected; as a consequence the issue of well-being expands across disciplines both vertically and horizontally. Never before have websites, the social media, the online community and related digital technology platforms influenced human behavior and the decision making process as the present time.

Well-being and three key selected factors (education, health and employment) are traditionally regarded as the role of governments of states to provide such services to their citizens. However, as the online community becomes globally powerful in influencing public interventions or even social sanction and intervention as well as enabling people to voice their opinions at much greater extent than the past, it is worth investigating well-being in the realm of the online community.

Conventionally speaking, people used to face pressing challenges in terms of economic, cultural, political and social factors, or even physical contact in some situations. Nowadays, we must handle those challenges with greater diverse and more complicated factors as 15 factors that are intertwined and interconnected have been bombarding us in accordance with Figure 3.15 shown. The first part of this chapter will investigate how the online community and social media concentrated on well-being have existed and to what extent they contribute to well-being. Before investigating the details further, it is worth looking at the terms 'online community' and 'social media' in connection with this research on well-being.

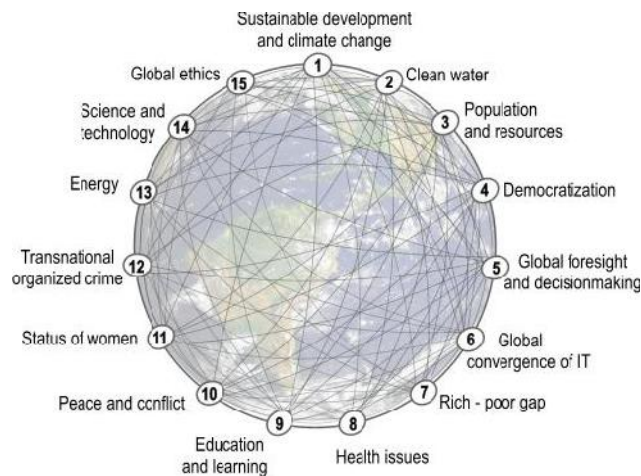


Figure 3.15: 15 Global Challenges facing Humanity

Source: Global Challenges for Humanity, Millennium Project Organization.

3.7.1 The world is wired

An important mechanism of the online community is online learning. A potential characteristic of well-being now is globally recognized, thus there are many websites around the world talking and discussing well-being. In addition, the online community assists people interact socially, share purposes such as an interest, need, information or service that provides reason for the community, policies, for instance rules that guide people's interactions and computer systems to support and mediate social interaction and facilitate a sense of togetherness. Another important tool for social interaction is a forum where members can chat, connect, co-create, and share user-generated content.²²⁰ This is how the online community can exist to serve the interest of public good.

²²⁰ Rixt A. Bijker, Nora Mehnen, Frans J. Sijtsma and Michiel N. Daams. Managing Urban Wellbeing in Rural Areas: The Potential Role of Online Communities to Improve the Financing and Governance of Highly Valued Nature Areas. Retrieved from <<http://www.mdpi.com/2073-445X/3/2/437/html>>. 2014. Page 451-452. Accessed on 23 June 2017.

According to Figure 3.16 below, there are many types of online communities. In this regard, well-being can generally fall under Health-related and Shared beliefs online communities in which there are about 28 percent of Internet users in each of these two categories. Although this statistic is not that up-to-date, it is not irrelevant to make an observation that the online community has influenced people's decision-making and participation leading to a common goal.

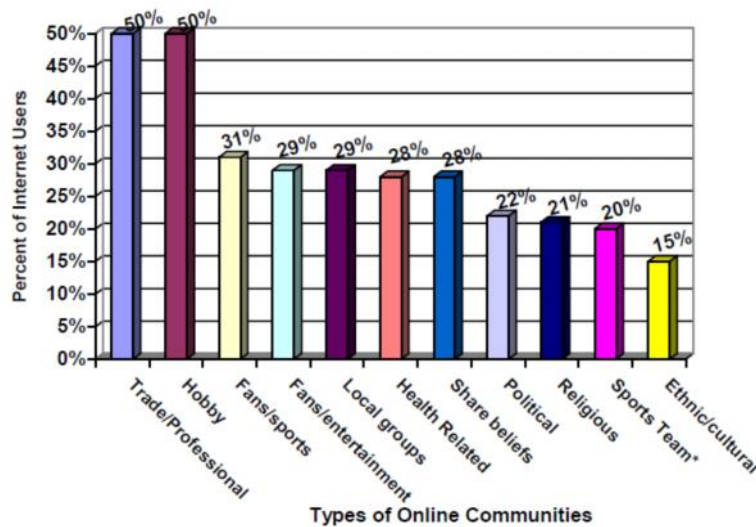


Figure 3.16: Percent of Internet Users by Online Groups to Which They Belong

Source: Jenny Preece, Diane Maloney-Krichmar and Chadia Abras. History of Emergence of Online Communities. 2003.

In terms of online community-based academic service, there is a website called Future Learn <<https://www.futurelearn.com/courses/social-wellbeing>>, promoting online course for those who are interested in well-being. The online three-week course is entitled 'Social Wellbeing', offered by University of Edinburgh. The course is aimed to create a global community of well-being practitioners. Moreover, the course will consider factors contributing to well-being from different perspectives, which are:

- *Personal and interpersonal: what are the main ways of thinking about wellbeing as a whole? What are the key domains and components of personal wellbeing?*
- *Organizational and community: how do communities and organizations facilitate wellbeing? What is community vitality? What is a healthy organizational climate?*
- *National and international: What is national wellbeing and how can we measure and promote it?*²²¹

A person who wants to complete the course must study for at least two hours per week. The University of Edinburgh also offers a certificate after completion but with some certain amount of payment. Other benefits for those who want to join the course are to share experience with:

- *human resources (HR) professionals, who are keen to embrace wellbeing and purpose, to improve staff satisfaction and productivity;*
- *social planners from the public and third sector, who want to address the social and economic factors that affect wellbeing at a community level; and*
- *policy makers and civil servants, who wish to measure wellbeing or understand the life outcomes that matter most to people when developing policy.*²²²

Another interesting dedicated website for generating original idea, research paper, articles and scholarly reference related to well-being is 'International Journal of Wellbeing', which plays a key role and encourages those who are interested in this subject to submit academic papers and to study further.

²²¹ Future Learn. Free online course. Retrieved from <<https://www.futurelearn.com/courses/social-wellbeing>>. Accessed on 30 September 2017.

²²² Ibid.

As a result, research in well-being can be reviewed and published via its website, and can be downloaded for free in accordance with the website's open access policy.²²³ The website raises an interesting question to the term used between 'well-being' and 'wellbeing'. An explanation why the website decided to use the term 'wellbeing' rather than well-being' is relayed below:

*"The decision to close the hyphenated gap between 'well' and 'being' is intentionally forward looking. We know that in some disciplines (e.g. philosophy) wellbeing is still hyphenated. A cursory glance over journals from other disciplines demonstrates that many of them are already making the transition to dropping the hyphen. We expect that the hyphen will eventually disappear from all disciplines because of how the term is usually used. Both 'well-being' and 'wellbeing' most often refer to the general subject or topic of what makes a life go well for someone; they both tend to include consideration of things that makes peoples' lives go better and worse. To avoid confusion about when 'well-being' means the opposite of ill-being and when it means the topic of what makes a life go well for someone, we propose the following. 'Wellbeing' should refer to the topic of what makes a life go well for someone and 'well-being' should refer to the more specific concept – the opposite of ill-being."*²²⁴

This website is sponsored by Hamilton College, University of Melbourne, Auckland University of Technology and University of Waikato. Its archives database and can date back to 2011. It is potentially useful for academics, researchers and those who are academically interested in well-being to globally exchange and distribute their knowledge with like-minded people and beyond.

²²³ International Journal of Wellbeing (IJW). Retrieved from <<http://www.internationaljournalofwellbeing.org/>>. Accessed on 12 July 2017.

²²⁴ International Journal of Wellbeing (IJW). Why wellbeing? Retrieved from <<http://www.internationaljournalofwellbeing.org/index.php/ijow/about/editorialPolicies#focusAndScope>>. Accessed on 12 July 2017.

3.7.2 Global Interactive Tool for Well-being

One example is that of <http://www.socialprogressimperative.org/network/>. An interesting feature of this website is that it has an option of creating local social progress index where participants, whether they are organization, individual, networks, can come up with their own index to measure well-being and social progress upon their own consideration. The reason is simply put as “local networks operate at a national scale or focus on specific areas within a country. This provides a unique opportunity for social innovators to lead social progress in communities they know best.”²²⁵ The website is composed of three key dimensions, which are ‘Human Basic Needs’, ‘Foundation of well-being’ and ‘Opportunity’. Under each key dimension, there are sub-dimensions working as indicators for fulfilling social progress. The website explains the Social Progress Index’s three key dimensions as follows:

*Human basic needs is a measure of whether the country is able and willing to provide the bulk of its citizens with basic human needs, including adequate nourishment and basic medical care, sanitation, basic shelter, and personal safety needs. Foundation of well-being is a measure of whether the building blocks for individuals and communities to enhance and sustain their wellbeing are in place. Are citizens able to gain a basic education, obtain information and communications technology, access and benefit from a healthcare system, and, at the same time, accomplish these objectives in a way that is environmentally sustainable? Opportunity means a measure of the extent to which individuals are able to pursue their own objectives to the best of their ability. Personal rights, access to higher education, personal freedom and choice, and an environment of equity and inclusion all contribute to the level of opportunity within a given society.*²²⁶

²²⁵ Social Progress Network. Retrieved from <<http://www.socialprogressimperative.org/network/>>. Accessed on 15 July 2017.

²²⁶ 2016 Social Progress Index. Retrieved from

<<http://www.socialprogressimperative.org/global-index/#map/countries/dim1,dim2,dim3>>. Accessed on 15 July 2017.

In addition, this movement urges people across the world to participate in working together towards a more sustainable world. An effort that is significant is that a campaign to ask people support in using Social Progress Index as a measure to improve quality of lives, foster research and knowledge sharing around the world.

Social Progress Imperative also produced a tool to measure well-being for the EU's social progress via the website <https://www.thunderclap.it/projects/47882-new-eu-social-progress-index?locale=en>. This was implemented under the title 'the EU Regional Social Progress Index' as a complement to traditional measures of economic progress, which resulted in a detailed picture of where each of 28 EU Member States (or 272 regions in total) stands on social progress. The interactive results can be found via the website http://ec.europa.eu/regional_policy/en/information/maps/social_progress.

To summarize at this point, whether it is the online community or social media, either one of them can play a contributing role in enriching well-being to become more common issue and a shared goal for communities. In particular, online community and other forms of efforts like funding organizations, crowdsourcing, crowd funding, development centers, inter alia, play a significant role in delivering results and impacts that face humanity. Apart from that, a cooperative connection and networking between like-minded people and organization are transforming how social progress and well-being can be expanded and conducive to implementation. Tools that well-being networks use can be through social media and online community. As a result, enabling environment can be maximized in response to the needs of alternative fulfillment of prosperity.

3.7.3 Network of Communities and Well-Being

Under this section, there is 'Global Solution Networks' (GSNs), which has been working on the issue of sustainable development goals (SDGS), although it is not directly focused on well-being. This is a network of civil society organization, private companies, governments and individuals coming together to

achieve global goals via social innovation by using powerful digital technology with the aim to advocating and delivering solutions for global problems.²²⁷

An advantage for those who seek alternative approaches to solving global problems is that they can receive many ideas from this website. Not only is it promoting multi-stakeholders of GSNs, but it also addresses major issue facing global citizens ranging from poverty, human rights, sustainability, financial inclusion, youth unemployment, education and knowledge, ecosystem to the governance of Internet.

Moreover, GSNs offers expert insights, case studies, and field tools for global problem solvers. Although, it has a research menu on offer this website is focused on the application of theory and a practical approach. For example, employment and prosperity issue, there are research, report, infographics, video, mindmaps, and networks of people who can assist or connect in order to solve the unemployment problem multilaterally.

Another significant feature of GSNs is that it serves as a global problem-solving organization. It works on an alternative approach in response to the failure of traditional organizations and governments to solve the world's toughest problems. It seeks to achieve a new form of cooperation, social change and mobilize to address most urgent and complex challenges. So far, there are more than 40 research projects, case studies for the public to learn from and they are available to download without cost.²²⁸

Under the effort of GSNs, it helps identify the dynamism and functionality of networks and stakeholders, which are diverse when working towards global solutions. In this regard, it came up with the term 'Taxonomy of Multi-stakeholder Networks for Global Problem Solving.' This is consisted of 10 network categories, which are as follows:

²²⁷ Global Solution Networks. Retrieved from <<http://gsnetworks.org/the-world-needs-solutions/>>. Accessed on 12 July 2017.

²²⁸ GSNs. Introduction. What is a GSN? What is the GSN Program? Retrieved from <<http://gsnetworks.org/learn/>>. Accessed on 12 July 2017.

1. Knowledge Networks which develop new thinking, research, ideas and policies that can be helpful in solving global problems. Their emphasis is on the creation of new ideas, not their advocacy.

2. Operational and Delivery Networks actually deliver the change they seek, supplementing or even bypassing the efforts of traditional institutions.

3. Policy Networks create government policy even though they are not networks of government policy makers.

4. Advocacy Networks seek to change the agenda or policies of governments, corporations or other institutions.

5. Watchdog Networks scrutinize institutions to ensure they behave appropriately.

6. Platforms create the capability for other networks to organize.

7. Global Standards Networks are non-state based organizations that develop technical specifications and standards for virtually anything, including standards for the Internet itself.

8. Governance Networks have achieved or been granted the right and responsibility of non-institutional global governance.

9. Networked Institutions provide a wide range of capabilities even similar to state-based institutions but with a very different *modus-operandi*.

10. Diasporas pursue problem solving through kinship and ethnicity connections.²²⁹

²²⁹ Don Tapscott. Introducing: Global Solution Networks .Understanding the New Multi-Stakeholder Models for Global Cooperation, Problem Solving and Governance. Retrieved from <<http://gsnetworks.org/wp-content/uploads/sites/4/2013/10/Introducing-Global-Solution-Networks.pdf>>. Page 21-22. Accessed on 23 July 2017.

Figure 3.17 below illustrates how inter-connected these 10 types of global solution network are.

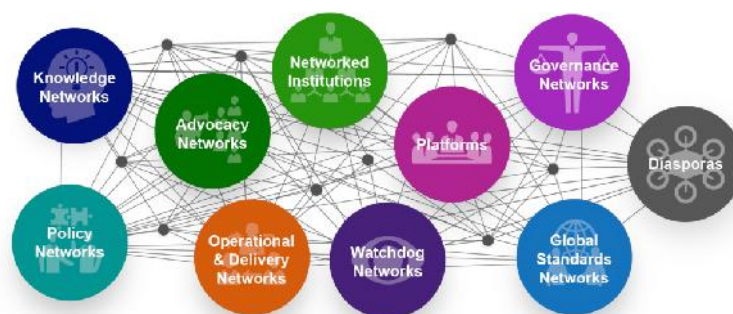


Figure 3.17: 10 types of global solution network

Source: GSNs. 10 types of global solution network, Global Solution Networks.

One may be curious why a person should pay his/her attention to NGOs becoming a global player. Reason being, the NGO sector is gaining its importance, not only exploding in size but also influencing on international scene. According to GSN's report, "The global NGO sector is a \$1.3 trillion industry (equal to the world's seventh largest economy), which employs over 40 million people and serves billions more in mature and emerging markets."²³⁰

Moreover, virtual communities have played a leading role in linking cultural and ethnic diasporas around the world. They help break down the boundaries of geography and creating bridges based on shared values. Although these worldwide virtual communities do not have exact physical location, they have capability in providing a sense of belonging in addition to a conduit for problem solving by bringing together people sharing a heritage or a worldview.²³¹

²³⁰ Don Tapscott. Introducing: Global Solution Networks .Understanding the New Multi-Stakeholder Models for Global Cooperation, Problem Solving and Governance. Retrieved from <http://gsnetworks.org/wp-content/uploads/sites/4/2013/10/Introducing-Global-Solution-Networks.pdf>. Page 6.

²³¹ Ibid.

3.8 Mechanisms that help reinforce trade and development policy in relation to well-being

In addition to the role of the online community that can influence well-being and create impacts, it is worth mentioning that at the global level, there are different mechanisms to help developing countries improve their capacity via trade-related programs and development tools. One of them is Aid for Trade.

The World Trade Organization (WTO) has been promoting trade, fair leveled playing field, and just rules for member countries around the world to comply with. According to the WTO, Aid for Trade is about “helping developing countries, in particular the least developed, to build the trade capacity and infrastructure they need to benefit from trade opening. It is part of overall Official Development Assistance (ODA) — grants and concessional loans — targeted at trade-related programmes and projects.”²³² In addition, Aid for Trade helps countries to develop trade strategies, to negotiate more efficiently and effectively as well as to implement outcomes. According to WTO, key challenges to Aid for Trade that need to be adapted along with SDGs are as follow:

- *Maintaining focus—Trade facilitation is a policy area that is central to today's interconnected markets and production processes. The Trade Facilitation Agreement (TFA) highlights how trade agreements can be tailored to individual development circumstances, with built-in flexibilities, and backed by aid-for-trade support.*
- *The right emphasis—The definition of aid for trade as “projects and programmes [...] that have been identified as trade-related development priorities in the recipient country's national development strategies” is based on the 2005 principles for aid effectiveness found in the Paris Declaration. Such a broad definition allows for operational flexibility to tackle any type of trade-related binding constraints at the country level.*

²³² World Trade Organization (WTO). Aid for Trade fact sheet. Retrieved from

<https://www.wto.org/english/tratop_e/devel_e/a4t_e/a4t_factsheet_e.htm>. Accessed on 3 October 2017.

- *Targeting the needs of MICs and LDCs—Despite the obvious needs of least developed countries (LDCs), two-thirds of the aid-for-trade funds are destined for middle income countries (MICs).*
- *Enhancing effectiveness—Only USD 7 billion is committed to regional and global aid-for-trade programmes. However, these programmes are often more effective in reducing trade-related binding constraints, especially for landlocked countries where transport corridors are lifelines for trade. Global and regional programmes are also particularly effective in helping countries comply with standards in highly technical policy areas, such as sanitary and phytosanitary measures.*
- *Expanding partnerships—Although the Aid-for-Trade Initiative is inclusive and encompasses a broad coalition of stakeholders from the public sector, providers of South-South trade-related assistance are only slowly becoming more engaged in the initiative despite their increasing financial support to build trade capacities. Further work is needed to nurture their emerging engagement, especially at the country level.*
- *Ensuring poverty impact—Keeping global markets open is a necessary precondition for progress on poverty. An open trading system and trade-led growth has helped contribute to the attainment of the Millennium Development Goal of halving the number of those living in extreme poverty by 2015. The emerging post-2015 development agenda has placed the elimination of extreme poverty as a core objective.*
- *Scaling up—Impact assessment and other evaluation tools are allowing a better understanding of results at the project level. This should translate into better policy. The challenge is to ensure that the research results are shared among a community of people involved with projects on the ground and do not remain an exclusive academic topic.*
- *Ensuring sustainability—Research on aid-for-trade financing highlights that a growing share is also contributing to the sustainable component of the SDGs.*

- *Guaranteeing policy coherence for development—An important perspective emerging from the universal and transformative post-2015 development agenda is that it could lead to a potential increase in the number and range of NTMs. Research suggests that the burden of NTM compliance falls most heavily on SMEs and on LDCs. Efforts to support compliance and reduce the burden may need to be expanded if the desired transformation is to be both smooth and not engender important adjustment costs for exporters in developing and, in particular, LDCs.*²³³

With these challenges, one can see that trade and development policy can work together as a means to alleviate poverty and help emerging countries to cope with pressing situations. Although development gaps between developed countries and developing countries are diverse and varied, providing Aid for Trade can be an assisting role in strengthening various sectors involved in developing a country where aid from external sources still play an important role and technical assistance that comes with it guiding policy for recipient countries to rely on.

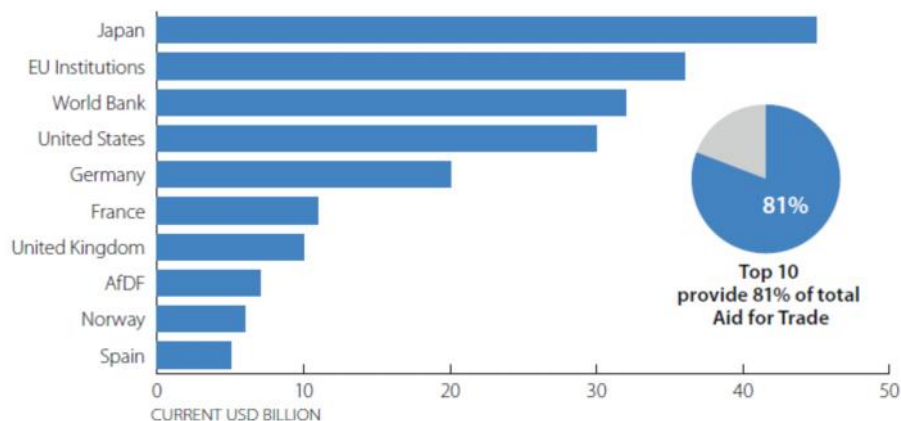


Figure 3.18: Aid for Trade, Top 10 aid providers (total disbursements 2006-2013)

Source: Air for Trade at a glance 2015: Reducing trade costs for Inclusive, sustainable growth. OECD Publishing, Paris.

²³³ Air for Trade at a glance 2015: Reducing trade costs for Inclusive, sustainable growth. OECD Publishing, Paris. Retrieved from <https://www.wto.org/english/res_e/booksp_e/aid4trade15_e.pdf>. Page 273-278. Accessed on 15 October 2017.

According to Figure 3.18, during 2006-2013 Japan was at the top list in providing Aid for Trade, followed by EU Institutions, which helped provide nearly 40 billion of the funding. Interestingly, these top ten providers contributed as much as 81 percent of total Aid for Trade. In this figure, there are five countries from Europe appear to be considerably generous in helping others; these countries were France, Germany, Norway, Spain and United Kingdom. Altogether, they contributed nearly 50 billion US dollars.

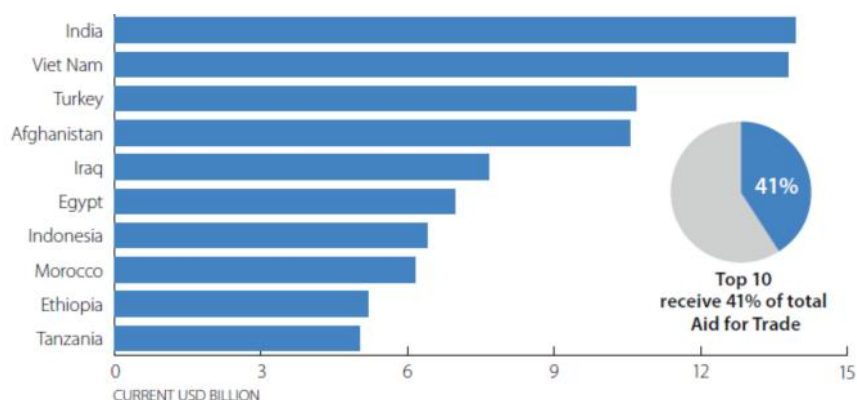


Figure 3.19: Aid for Trade, Top ten recipients (Total disbursements 2006-2013)

Source: Air for Trade at a glance 2015: Reducing trade costs for Inclusive, sustainable growth. OECD Publishing, Paris.

Concerning recipient of Aid for Trade, India received around 14 billion US dollars of Aid for Trade, thus it was considered the biggest recipient country, followed by Vietnam, which received approximately 13 billion US dollars of the funding.

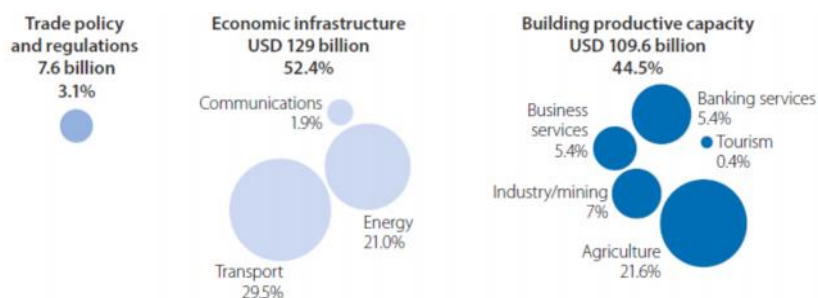


Figure 3.20: Aid for trade share by category (Total disbursements 2006-2013)

Source: Air for Trade at a glance 2015: Reducing trade costs for Inclusive, sustainable growth. OECD Publishing, Paris.

With regard to Aid for Trade share, it is categorized into three items; these are Trade policy and regulations, Economic infrastructure and Building productive capacity. According to Figure 3.20, Trade policy and regulations provided 7.6 billion US dollars, which accounted for 3.1 percent of total budget for Aid for Trade. Concerning Economic infrastructure and Building productive capacity received the biggest share, which was 129 billion US dollars and accounted for 52.4 percent. Building productive capacity was given 109.6 billion US dollars, which accounted for 44.5 percent.

In accordance with the EU, Aid for Trade responds to SDGs. In addition, it is part of Official Development Aid (ODA) related to improving countries' capacity to trade, and thus it is categorized into six areas as follows:

- *trade policy and regulation*
- *trade development*
- *trade-related infrastructure*
- *building productive capacity*
- *trade-related adjustment, and*
- *other trade-related needs.*²³⁴

Aside from that, supports can include building new transport, energy or telecommunications infrastructure, investments in agriculture, fisheries and services, as well as technical assistance in managing any balance of payments shortfalls due to changes in the world trading environment.

In general, Categories 1, 2 and 6 are designated as Trade-Related Assistance since they correspond to core trade issues while the other three categories include capacity building and infrastructure. Combined together, they are referred to as 'the wider Aid for Trade agenda' and they are designed to benefit trade in a broader sense.

²³⁴ The European Commission. Aid for Trade. Retrieved from

<<http://ec.europa.eu/trade/policy/countries-and-regions/development/aid-for-trade/>>. Accessed on 17 October 2017.

With Aid for Trade and Trade-Related Assistance, partner countries can take advantage of opportunities created by unilateral, bilateral or multilateral trade openings and hence it is an important tool to facilitate trade reforms or adjustments, improve the business environment, support regional integration and provide opportunities to integrate into global value chains. It is an important part of a long-term strategy for global poverty reduction, along with debt relief and general development aid.

Many developing countries face internal constraints such as a lack of productive capacity, poor infrastructure, poor trade diversification, inefficient customs procedures, excessive red tape and difficulties to meet technical standards in high value export markets. This creates a negative impact on the ability to trade and on the competitiveness of their exports.

In accordance with 2011 Communication on Increasing the Impact of EU Development Policy: an agenda for Change, the contribution of trade can help achieve inclusive growth and sustainable development emphasized in the EU Development policy.²³⁵ According to the European Commission, some benefits of trade for developing countries are as follows:

- 1. Trade can help boost development and reduce poverty by generating growth through increased commercial opportunities and investment, as well as broadening the productive base through private sector development.*
- 4. Trade encourages innovation by facilitating exchange of know-how, technology and investment in research and development, including through foreign direct investment.*
- 7. Trade plays a role in the improvement of quality, labor and environmental standards through increased competition and the exchange of best practices between trade partners, building capacity in industry and product standards.*
- 9. Trade strengthens ties between nations by bringing people together in peaceful and mutually beneficial exchanges and as such contributes to peace and stability.*

²³⁵ Ibid.

*10. Trade creates employment opportunities by boosting economic sectors that create stable jobs and usually higher incomes, thus improving livelihoods.*²³⁶

From these advantages, one can see how modern technology, Internet and Online community of well-being as well as mechanisms can contribute to trade and development policy. In this connection, 'Data revolution: from vertical control to horizontal distribution' and 'From globalization to regionalization' principles in accordance with the 'World after GDP' approach can be applied here to explain the influence and power of distribution in information and knowledge sharing at various levels can play a key role in making changes to communities.

3.9 Cases challenging three key factors of well-being in ASEAN

Current situations and relations between the EU and ASEAN are of mutual respect and interests. While the EU is facing a constant flood of immigrants seeking a better opportunity for quality of life in Europe, ASEAN and its member states are struggling with bridging the gap of development disparities as well as well-being in different forms. Some issues of concern that are worth noting here are such as human trafficking, labor abuses, human rights, which can be used to consider in addition to the three key factors discussed previously.

To begin with, labor abuses is not only a local issue but it spreads across the world. In this regard, this thesis will look at only cases in ASEAN. For instance, a British lawyer, Mr. Andy Hall, who revealed labor abuses case in Thailand's fruit factories, was sentenced a three year suspended jail sentence.²³⁷

²³⁶ The European Commission. 10 Benefits of trade for developing countries. Retrieved from http://trade.ec.europa.eu/doclib/docs/2012/january/tradoc_148991.pdf >. Accessed on 25 October 2017.

This situation created an unacceptable verdict and this case was raised in the EU Parliament by British MEP, Mr. Glennis Willmott. Mr. Willmott voiced his opinion clearly as follows: “we highlighted Andy’s plight again in an urgent debate in the European Parliament and called on the Thai authorities to end this harassment immediately. Human rights are top of the EU agenda and we will continue to call for decent working rights for all workers across the globe.”²³⁸

Moreover, human rights abuses and disregard for fish stocks triggered and was considered “Illegal, Unregulated and Unreported” (IUU) fishing protocols by the European Commission, as a result the ‘yellow card’ is imposed on 3 billion dollars fish export sector.²³⁹ Also, this case was globally recognized as ‘sea slaves’.²⁴⁰

As a consequence, the EU has put free trade agreement with Thailand on hold indefinitely, even though Thailand’s economy is considered the second largest in ASEAN. There is also a ‘zero chance’ of signing the trade deal as long as the military junta is still in power.²⁴¹

Another case is from Myanmar. That is two teenagers were freed after received the assistance by a journalist. Although their families urged the police several times but their pleas were denied by the police. With the case generating headlines, eventually the police arrested the tailor and two family members.

²³⁷ EU activist gets 3-year Thai jail sentence for exposing labour abuses.

Retrieved from <<http://www.euractiv.com/section/global-europe/news/eu-activist-gets-3-year-thai-jail-sentence-for-exposing-labour-abuses/>>. Accessed on 10 March 2017.

²³⁸ MEPs condemn Thai ‘harassment’ of EU rights activist.

Retrieved from <<https://www.euractiv.com/section/global-europe/news/meps-condemn-thai-harassment-of-eu-rights-activist/>>. Accessed on 15 March 2017.

²³⁹ Thailand’s economy: Free trade, fishing and fruit industries in the spotlight. Retrieved from <<https://www.euractiv.com/section/trade-society/news/thailands-economy-free-trade-fishing-and-fruit-industries-in-the-spotlight/>>. Accessed on 20 March 2017.

²⁴⁰ ‘Sea Slaves’: The Human Misery That Feeds Pets and Livestock. Retrieved from <http://www.nytimes.com/2015/07/27/world/outlaw-ocean-thailand-fishing-sea-slaves-pets.html?_r=2>. Accessed on 21 March 2017.

²⁴¹ Zero chance’ of Thailand FTA under junta, Commission official says. Retrieved from <<http://www.euractiv.com/section/global-europe/news/zero-chance-of-thailand-fta-under-junta-commission-official-says/>>. Accessed on 25 March 2017.

Apparently, the two girls aged only 11 and 12 when they were sent by their parents to Yangon, which is considered the commercial capital of Myanmar. For poor Burmese families, it is regarded as a common decision to send their children to work in a more economically promising region. The situation turned out that these girls became maids in a tailor shop in the center of Yangon.

It initially started as paid work, and then turned into modern-day slavery. The two victims were denied contact with their parents, were unable to leave and were no longer being paid. Currently, there are at least a million Burmese children are forced to give up on education and go to work according to United Nations' estimation.²⁴²

Considering the anti-drug crackdown policy or widely-known as anti-drug war under the current President Rodrigo Duterte of the Philippines, there has been heavy criticisms by the US and the EU, human rights groups as well as the United Nations for human rights violation since an estimated over 3,000 people have been killed in just three months as a result of such policy. However, this extra-judicial killing of drug traffickers gains significant public support.²⁴³ In this regard, President Duterte responded very strongly to the EU's criticism over his brutal crackdown that the EU "better choose purgatory, hell is filled up".²⁴⁴

From these cases, well-being factors may involve and inter-connect with serious issues like human rights, labor abuses, freedom of expression, harassment, lacks of opportunity, migration, environmental concern, justice and human trafficking, among others. It is, therefore, realistically challenging for the EU and ASEAN to reach agreement under pressing situations.

Although Singapore and Vietnam have already reached FTA trade deals with the EU bilaterally, each individual member states of ASEAN has a different level of development and conditions to comply with

²⁴² Myanmar 'child slavery' outrage sparks investigation. Retrieved from <<http://www.bbc.com/news/world-asia-37448243>>. Accessed on 2 April 2017.

²⁴³ Francois Godement. Duterte trumps Trump. Retrieved from <http://www.ecfr.eu/article/commentary_duterte_trumps_trump_7125>. Accessed on 2 April 2017..

²⁴⁴ Philippines: Duterte tells Obama to 'go to hell'. Retrieved from <<http://www.aljazeera.com/news/2016/10/philippines-duterte-tells-obama-hell-161004144441736.html>>. Accessed on 4 April 2017.

and to follow suit. As a result, there are various issues/factor to be considered and it takes time within ASEAN itself to reach an acceptable level of rules set by the EU.

3.10 Summary

Although a well-functioning economy, which reflects a holistic growth, requires a lot of work and many efforts from all parties involved, placing people at the heart of development is still needed and it should be at the core of development process in formulating policies both for trade and development policy. Foundation indicators of growth in this regard can use health, education and employment since they play an interconnected and crucial role in building strength and growth for a nation/region. They also promote growth and are able to create positive impact on each individual.²⁴⁵

ASEAN Member States rely on one another politically, economically, socially and culturally. Closer economic interdependence as stemmed in the principle of ASEAN Economic Community revealed itself concretely on 31 December 2015. However, more efforts are still in need to bring about a more balanced well-being since there is a big gap of development among ASEAN Member States.

Relations between ASEAN and the EU have been interdependent by economy, development, collaborations and many other aspects. Both of them are considered natural partner. They are two major regional integration initiatives in the world. In addition, both blocs share the same goals of their people, their commitments are to address peace, stability and prosperity and willing to use multilateral approach to deal with issues arising in the region.²⁴⁶ Inter-regional relations is regarded as institutional arrangement in which it can contribute to the growth and sustainability of well-being via key factors discussed in this chapter, which are health, employment and education.

²⁴⁵ Joseph Stiglitz. Making globalization work. Penguin Group. 2006. Page 55.

²⁴⁶ EU-ASEAN: Natural Partners. Retrieved from <http://www.eeas.europa.eu/asean/docs/eu_asean_natural_partners_en.pdf>. Page 1. Accessed on 10 April 2017.

CHAPTER IV

INTER-REGIONAL RELATIONS BETWEEN THE EU AND ASEAN THROUGH TRADE POLICY

“Indeed, ASEAN and the EU’s dialogue relations have come a long way. Both regions have built a strong foundation, which will enable us to further the existing cooperative relations in the interest, and for the well-being of their respective peoples. However, much remains to be done...”²⁴⁷

Dr. Surin Pitsuwan

The interconnectedness between trade and development policy of the EU has long been an issue of academic exploration. For ASEAN, development and trade seems to be a separate issue when negotiating. With so much emphasis placed on trade affairs, it is perhaps easy to lose sight of other areas in which the EU and its partners cooperate. Large-scale bilateral cooperation activities that were once common are rapidly becoming evidence of the past. The emphasis now is on a number of key areas. These include sharing of knowledge and technology, health, environment, economic cooperation and uprooted populations/social support.²⁴⁸

Since the inception of Lisbon Treaty, the external relations of the EU has been intensified and expanded into many key areas in addition to trade. This chapter will look at key and strategic collaborations between the two regional groupings in terms of trade through trade policy, in particular under the ‘Trade for All’ policy of the EU in relation to ASEAN. For the EU, trade and development policy has potentially been strengthened after the inception of the Lisbon Treaty. For ASEAN, the evolution and inception of ASEAN

²⁴⁷ Press Statement by Dr. Surin Pitsuwan at the 18th ASEAN-EU Ministerial Meeting Press Conference. Madrid, 26 May 2010. Retrieved from

http://asean.org/?static_post=press-statement-by-dr-surin-pitsuwan-at-the-18th-asean-eu-ministerial-meeting-press-conference>. Accessed on 24 February 2017.

²⁴⁸ Delegation of the European Union to Thailand. Retrieved from http://www.eeas.europa.eu/delegations/thailand/projects/overview/index_en.htm>. Accessed on 25 February 2017.

Charter gave rise to a more integrated community and better collective approach to collaborating with partners across the globe.

The EU is considered the world's biggest trader, accounting for 20% of global imports and exports. The EU also believes trade can benefit all.²⁴⁹ In addition, the EU believes that the increase of trade can potentially help boost the world's growth. Globalization can also bring a positive result to trade partners for both developed and developing nations.

However, this is to comply with rules and multi-lateral efforts. On top of that, the EU is trying to reform the Common Agricultural Policy (CAP) to help developing countries to gain more access to the EU market and the world. This is to facilitate the stagnation of trade talks since the Doha Round. All this expresses the conduct of the EU's policy towards ASEAN+6.

The EU and ASEAN agreed to do trade under the trade negotiations in many forms, namely free trade agreement (FTA) with some member countries in ASEAN. However, the European Commission decided to choose regional approach when negotiating with ASEAN.²⁵⁰ In addition, the EU uses multilateral agreements through WTO as a means and wider strategy to pursue trade as well as regional agreements as Mr. Peter Mandelson mentioned in his speech at the London School of Economics in 2006.²⁵¹

The EU Trade Commissioner, Cecilia Malmström, reiterated that under the new trade strategy, 'Trade for All', "the Commission is adapting its approach to trade policy to take all of these lessons on board. As a result, trade policy will become more responsible, meaning it will be more effective, more transparent and

²⁴⁹ European Commission. 'Trade policy'. Retrieved from http://ec.europa.eu/world/what/trade_policy/index_en.htm. Accessed on 3 March 2017.

²⁵⁰ EU. International aspects of the EU with ASEAN and ASEM. Retrieved from https://ec.europa.eu/growth/industry/international-aspects/cooperation-regions/asean-asean_en. Accessed on 7 March 2017.

²⁵¹ EU. Bilateral Agreements in EU trade policy. Retrieved from http://trade.ec.europa.eu/doclib/docs/2006/october/tradoc_130516.pdf. Accessed on 7 March 2017.

will not only project our interests, but also our values. Making trade more effective means that trade policy must be updated if it is to continue delivering economic opportunities.”²⁵²

‘Trade for All’ sets out a clear direction for the EU’s trade policy, having ability to work in line with the EU’s development and broader foreign policies, as well as the external objectives of EU internal policies. As a result, they mutually reinforce each other. Moreover, the impact of trade policy can create significant repercussions on the geopolitical landscape and vice versa. Furthermore, trade policy in combination with development policy is considered a powerful engine of growth in many different parts of the world, in particular for developing countries. With these positive outlooks, the EU emphasizes “to continue its longstanding commitment to sustainable development in its trade policies, contributing to the newly agreed global sustainable development goals (SDGs) under the 2030 Agenda for Sustainable Development.”²⁵³

Let’s take a closer look at the importance of trade between the two regional blocs.

4.1 How Trade is Important to the EU and ASEAN

²⁵² Trade for all - Towards a more responsible trade and investment policy. Retrieved from <https://trade.ec.europa.eu/doclib/docs/2015/october/tradoc_153846.pdf>. Page 5. Accessed on 22 October 2019.

²⁵³

Trade for all - Towards a more responsible trade and investment policy. Retrieved from <https://trade.ec.europa.eu/doclib/docs/2015/october/tradoc_153846.pdf>. Page 7. Accessed on 22 October 2019.

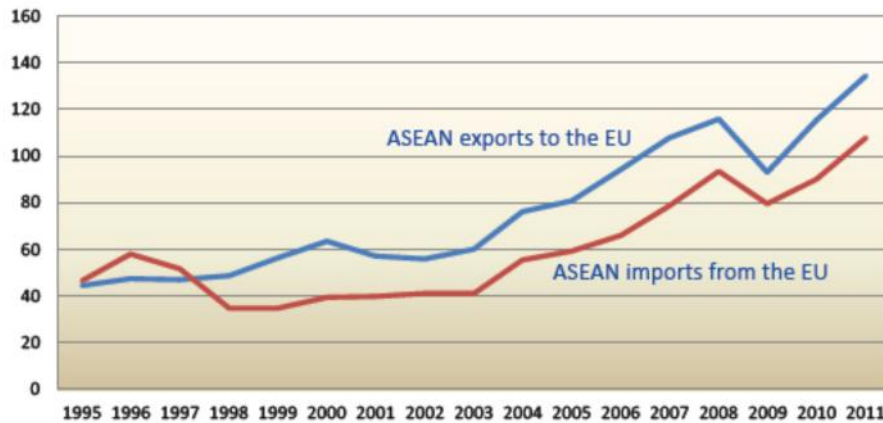


Figure 4.1: ASEAN-EU Trade (Exports and Imports, 1995-2011 in billion US\$)

Source: EU-ASEAN: Natural Partners

In 1972, the EU, then European Economic Community (EEC), established informal relations with ASEAN. Later, in 1977 at the 10th ASEAN Ministerial Meeting of Foreign Ministers in which they agreed upon ASEAN's formal cooperation and relationship with the EEC. As a result, in 1978 the 1st EU-ASEAN Ministerial Meeting was held in Brussels.

From Figure 3.1, the increase of trade volume between the two regional blocs had been consistent in which ASEAN exports to the EU reached its peak in 2011, accounting for 138 billion US dollars and totaled 113 billion US dollars for ASEAN imports from the EU, though during 2008-2009 there was a slight decrease in exports and imports between the two regional blocs.

In 2012, the EU accounted for 13.1% of total trade with ASEAN. This put the EU on rank number three after China and Japan but outperforming the US. The EU is also a major investor in Asia. In 2012, 21.4 percent of the EU outward investment was dedicated to Asia; this was worth around 57 billion euro while

13 percent stemmed in the region, which was worth approximately 38 billion euro. The EU was the largest trader in services, followed by the US, China, Japan, India and South Korea.²⁵⁴

Table 20
Top ten ASEAN trade partner countries/regions, 2014^p
as of 21 Dec 2015

ASEAN Statistics

value in US\$ million; share in percent

Trade partner country/region ^{1/}	Value			Share to total ASEAN trade		
	Exports	Imports	Total trade	Exports	Imports	Total trade
ASEAN	330,318.07	278,240.23	608,558.3	25.6	22.5	24.1
China (People's Republic of)	152,545.53	197,962.84	350,508.4	11.8	16.0	13.9
Japan	124,434.15	121,794.12	246,228.3	9.6	9.9	9.7
United states	122,863.23	117,903.87	240,767.1	9.5	9.5	9.5
EU-28	114,509.74	92,345.68	206,855.4	8.9	7.5	8.2
Korea, Republic of	52,822.99	82,139.58	134,962.6	4.1	6.6	5.3
Taiwan	39,472.10	68,841.39	108,313.5	3.1	5.6	4.3
Hong Kong	85,275.45	14,096.87	99,372.3	6.6	1.1	3.9
Australia	45,526.07	22,531.39	68,057.5	3.5	1.8	2.7
India	41,935.24	25,926.65	67,861.9	3.2	2.1	2.7
Total top ten trade partner countries	1,109,702.6	1,021,782.6	2,131,485.2	85.9	82.7	84.3
Others ^{2/}	182,697.2	214,433.5	397,130.7	14.1	17.3	15.7
Total	1,292,399.8	1,236,216.2	2,528,615.9	100.0	100.0	100.0

Source: ASEAN Merchandise Trade Statistics Database (compiled/computed from data submission, publications and/or websites of ASEAN Member States' national ASEAN Free Trade Area (AFTA) units, national statistics offices, customs departments/agencies, or central banks)

Notes
^{1/} preliminary data
Some figures may not sum up to totals due to rounding off errors.
^{1/} identified/ranked based on share of total trade
^{2/} includes trade of all other countries and those that could not be attributed to specific countries

Figure 4.2 : Top ten trading partners of ASEAN

Source: ASEAN. Top ten ASEAN trade partners countries/regions. 2015.

Another figure which was shown above in Figure 4.2, as of 2015 trade value between the EU and ASEAN accounted for 206,855.4 million US dollars in total. Given that the EU has been experiencing the economic recession and financial crisis for the past few years, the EU and ASEAN still maintain their relations in trade consistently.

²⁵⁴ EU. EU-Asia Factsheet. Retrieved from <http://eeas.europa.eu/factsheets/docs/20140714_factsheet_eu-asia_en.pdf>. Accessed on 14 April 2017.

As of 2018, statistics of trade in goods, exports and imports between the EU and ASEAN continued to grow although during 2008-2009 period trade figure dropped slightly as appears in Figure 4.3 below. Considering statistics more closely, the EU has been in a position to run trade deficit defacto compared with ASEAN, which has gained more of economic surplus, when trading with the EU. This can be seen from the fact that while the EU has exported goods to ASEAN with a continued rise from 2009 to 2018, the bloc has imported goods from ASEAN more.

As a result, trade balance statistics of the EU remains in a minus domain. For instance, in 2018 the EU exported to ASEAN, accounting for approximately 99 billion euro, whereas the EU imported from ASEAN, accounting for approximately 148 billion euro in accordance with Figure 4.3 shown.

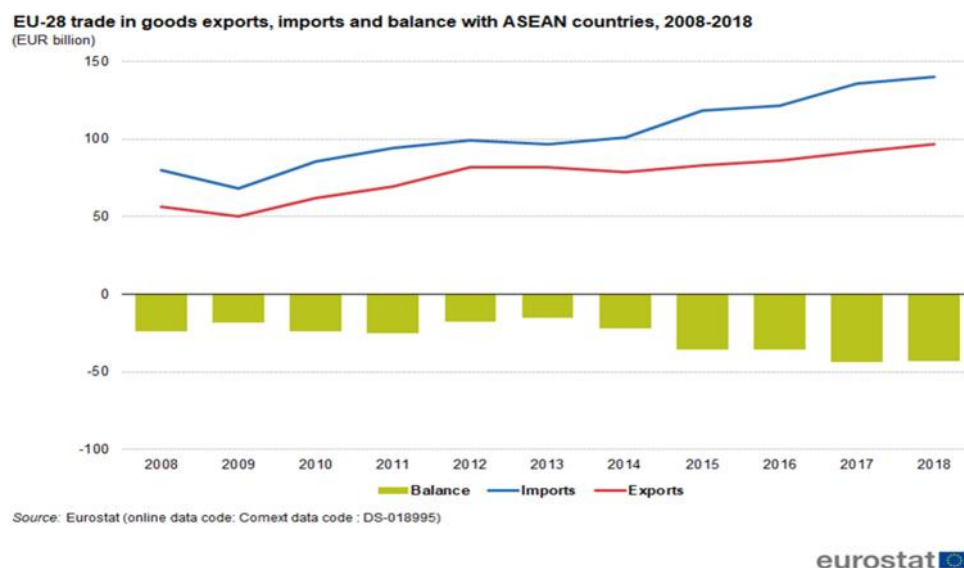


Figure 4.3: ASEAN-EU International trade in goods statistics

Source: Eurostat

As statistics of trade volumes and values shown, now let's turn to consider the trade policy of the EU towards the external partners.

4.2 The EU Trade Policy

In response to economic crisis, the EU came up with a more comprehensive and updated version of trade policy. The overarching aims of the EU trade policy are as follows:

1. *Create a global system for fair and open trade*
2. *Open up markets with key partner countries*
3. *Make sure others play by the rules*
4. *Ensure trade is a force for sustainable development*²⁵⁵

It is worth noting that under the aim number 4 the EU is committed to helping people around the world trade their way out of poverty by opening up its markets to all imports from the world's poorest countries, and also works collaboratively to help developing countries build the capacity to take advantage of trade.

At global level, the EU's trade policy helps reinforce other important international goals, which are:

1. *supporting the fight to protect our environment and reverse global warming;*
2. *striving to improve working conditions for workers in developing countries; and*
3. *ensuring the highest standards of health and safety for the products the EU buy and sell.*²⁵⁶

At this point, one can see that trade and development are two sides of the same coin. Trade and investment are considered the engine to mobilize and drive economic growth. Its contribution and wealth benefits development and create opportunities for the less fortunate as the the EU clearly puts it as “the aim of the EU's trade and development policy is to put trade at the service of inclusive growth and

²⁵⁵ European Commission. The EU Trade policy. Retrieved from <<http://ec.europa.eu/trade/policy/>>. Accessed on 16 April 2017.

²⁵⁶ Ibid.

sustainable development.”²⁵⁷ Not only has trade policy of the EU been realigned towards a more sustainable approach, but it also emphasized on the EU’s values.

The new trade policy and strategy of the EU, which appears in ‘Trade for All’, clearly states that “trade policy will become more responsible, meaning it will be more effective, more transparent and will not only project our interests, but also our values.”²⁵⁸

Under this new trade policy, Trade for All, the EU Commission also mentions that trade and investment policy must be transparent and provides benefits to society as a whole as well as promotes European and universal standards and values alongside core economic interests, “putting a greater emphasis on sustainable development, human rights, tax evasion, consumer protection, and responsible and fair trade.”²⁵⁹

In this connection, the EU promotes itself to uphold the EU’s values by confirming its principle enacted as “a trade agenda to promote sustainable development, human rights and good governance The EU Treaties demand that the EU promote its values, including the development of poorer countries, high social and environmental standards, and respect for human rights, around the world. In this regard, trade and investment policy must be consistent with other instruments of EU external action.”²⁶⁰

In addition, the EU principle of ‘Using trade and investment to support inclusive growth in developing countries’ is focused on three key issues as follows: 1) The EU is the most open market for developing countries’ exports, 2) The EU’s objective is to support development by enabling countries to integrate into and move up regional and global value chains, and 3) In line with the principle of policy coherence for development-this is because LDCs and other countries most in need can trade their way out of poverty whereby the EU and US are the world’s two most important markets for developing countries’ goods and services.”²⁶¹

²⁵⁷ European Commission. The EU’s Trade and Development in a nutshell. Retrieved from <<http://ec.europa.eu/trade/policy/countries-and-regions/development/>>. Accessed on 17 April 2017.

²⁵⁸ European Commission. Trade for All: Towards a more responsible trade and investment policy. Retrieved from <http://trade.ec.europa.eu/doclib/docs/2015/october/tradoc_153846.pdf>. Accessed on 22 October 2019.

²⁵⁹ Ibid. Page 18.

²⁶⁰ Ibid. Page 22.

²⁶¹ Ibid. Page 22-23.

Moreover, in terms of sustainable development, the EU is in the lead on using trade policy to promote the social and environmental pillars of sustainable development. In this regard, the EU stresses to conduct trade in a positive, incentive-based approach and without any hidden protectionist agenda as clarified by the following schemes.

- The GSP+ scheme is an innovative tool that offers incentives and support for human rights, sustainable development and good governance in countries committed to implementing core international conventions in those areas.

- The EU is playing a key role in taking forward negotiations for an environmental goods agreement (EGA) with 16 other major WTO members. The aim is to facilitate trade in vital green technologies like renewable energy generation, waste management and air pollution control and contribute to combatting climate change and protecting the environment...

- Recent EU FTAs also systematically include provisions on trade and sustainable development. The aim is notably to maximize the potential of increased trade and investment to decent work and to environmental protection, including the fight against climate change, and engage with partner countries in a cooperative process fostering transparency and civil society involvement.

- As FTAs enter into force, the EU will have to make sure that the provisions on trade and sustainable development are implemented and used effectively, including by offering appropriate support through development cooperation. This is a crucial step in bringing about change on the ground. Respecting the commitments on labor rights and environmental protection can be a significant challenge for some of our trading partners. The Commission stands ready to assist trading partners. Transparency is fundamental to better regulation. Coordinating aid and cooperation programmes better in these areas will allow the EU to use the opportunities and leverage a closer trade relationship to promote this value-based agenda.²⁶²

²⁶² European Commission. Trade for All: Towards a more responsible trade and investment policy. Retrieved from <http://trade.ec.europa.eu/doclib/docs/2015/october/tradoc_153846.pdf>. Page 23-24. Accessed on 22 October 2019.

To conclude at this point, the EU's 'Trade for All' reflects a creative era of trade and investment policy and thus it re-confirms how trade and investment is a means to reaching better progress as well as sustainable development. In addition, it provides mechanisms for development with more concrete strategies.

As can be seen from the principles and different schemes the EU have to offer, trade and investment is more open to value-based agendas such as environment, climate change, human rights, good governance, civil society, among others. Although well-being is not mentioned directly, factors and agenda mentioned are part of factors of well-being under different approaches as discussed in earlier chapters.

In addition, some tools that the EU has been using to help Least Developed Countries (LDCs) and developing countries are such as Generalized System of Preference (GSP) preferential trade scheme, boosting bilateral and regional relations, Foreign Direct Investment, Aid for Trade, European Globalization Adjustment Fund, Everything but Arms, among others.

Using Game theory to analyze trade partnership between the EU and ASEAN, it can be illustrated as a non zero-sum game. While the two regional blocs pursue trade in different sectors of interests, 'Trade for All' assist in different aspects relating to value-based agenda, in particular human capacity building. By nature of cooperation of the two regional blocs, their trade game falls into a non-zero sum game, to be more specific that is a positive sum game rather than a zero sum game although the EU faces trade deficit.

Normative Power Europe theory can also be applied to explain the export of the EU's values and norm at this point where trade policy is not just a set of statements that secure the EU's interests but it promotes the values in which the EU upholds and ensures that values like sustainable development, human rights, fair and ethical trade and the fight against corruption to help improve the responsibility of global supply chains.

This was strongly expressed in the new trade policy document, which reads “the EU should use this strength to benefit both its own citizens and those in other parts of the world, particularly those in the world’s poorest countries.”²⁶³

Moreover, to increase the EU intensified involvement in trade policy, the EU now and more often has included ‘investment’ element to be put in the title as trade and investment policy. A strong evidence can be found in Transatlantic Trade and Investment Partnership (TTIP) between the EU and US. This shows how the EU has strategized their position with realities vis-à-vis the rest of the world where trade and investment is considered the powerful engine of growth for the EU and other regional blocs and countries around the world. However, cooperation in development in many sectors still promote mutual interests and benefits in the longer term. Once again the reiteration of this spirit has been mentioned in the new ‘Trade for All’ document, which reads “an effective trade policy should, furthermore, dovetail with the EU’s development and broader foreign policies, as well as the external objectives of EU internal policies, so that they mutually reinforce each other.”²⁶⁴

Considering Normative Power Europe in relation to the EU’s trade and investment policy in the new strategy, ‘Trade for All’, it is important to note that the EU places its values in parallel with trade in a traditional term. The EU even asks one critically important question that “Who is EU trade policy for?” The answer is that “... EU trade policy is for all. It seeks to improve conditions for citizens, consumers, workers and the self-employed, small, medium and large enterprises, and the poorest in developing countries, and addresses the concerns of those who feel they are losing out from globalization. While trade policy must deliver growth, jobs and innovation, it must also be consistent with the principles of the European model. It must, in short, be responsible. It must be effective at actually delivering economic opportunities. It must be transparent and open to public scrutiny. It must promote and defend European value.”²⁶⁵

²⁶³ European Commission. Trade for All: Towards a more responsible trade and investment policy. Retrieved from <http://trade.ec.europa.eu/doclib/docs/2015/october/tradoc_153846.pdf>. Page 7. Accessed on 22 October 2018.

²⁶⁴ Ibid.

²⁶⁵ European Commission. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. Trade for All: Towards a more responsible trade and investment policy. Accessed on 14 October 2017. Page 3.

Not only can we see that trade is a tool for increasing benefits for the EU, but it also creates development dimensions for those in needs in particular. Following the FTA with Singapore and Vietnam, the EU looks forward to resuming negotiations with Malaysia and with Thailand when the conditions are right to do so. In addition, when appropriate, the EU remains committed to conclude the investment negotiations with Myanmar, to open FTA negotiations with the Philippines and with Indonesia. At the regional level, the European Commission and ASEAN Member States normally hold meetings on the progress of ASEAN integration, including the status of bilateral FTAs between the EU and ASEAN members. As a result, these initiatives can serve as building blocks for a region-to-region trade and investment agreement. The European Commission also promises to “work towards restarting negotiations for an ambitious region-to-region FTA with ASEAN, building on bilateral agreements between the EU and ASEAN members.”²⁶⁶

Game theory can also be used to analyze the position and behavior of the EU through the lens of trade policy where the EU states clearly that it wants to employ trade policy to tackle a wider range of issues such as ‘services, facilitate digital trade, support the mobility of professionals, address regulatory fragmentation, secure access to raw materials, protect innovation and ensure the swift management of customs.’²⁶⁷

This is to secure the dominant position in the global value chains. For example, the EU already ranks the top for the world’s largest services exporter. The estimation of global e-commerce for EU SMEs and consumers could be worth up to 12 trillion euro.²⁶⁸

For ASEAN, as equally important for the EU, trade is an extremely important source of jobs and growth. In connection with new skills needed for new line of jobs, the EU has Structural and Investment Fund to support workers for such objective in addition to Education policies. However, in terms of regional contribution, efforts and supports for developing countries in ASEAN have normally been distributed in the form of joint projects, capacity building and Aid for Trade, which will be elaborated in detail later on.

²⁶⁶ European Commission. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. Trade for All: Towards a more responsible trade and investment policy. Page 24. Accessed on 16 October 2017. Page 3.

²⁶⁷ European Commission. Trade for All: Towards a more responsible trade and investment policy. Retrieved from <http://trade.ec.europa.eu/doclib/docs/2015/october/tradoc_153846.pdf>. 2015. Page 10. Accessed on 25 October 2018.

²⁶⁸ Ibid. Page 12.

4.3 Trade and Investment Policy based on Values

Let's look at the quantity of investment treaties that involve the EU. "Over the past 50 years, states set up a dense global web of more than 3,200 bilateral investment treaties (BITs) — 1,400 of them involving EU Member States — with the goal of protecting and encouraging investment."²⁶⁹

Since the inception of the Treaty of Lisbon, the EU Commission has new responsibilities for investment protection and has made reform a priority as well as the EU's readiness to take the lead globally.

In addition, in Article 4.2 of Trade for All document, the EU mentioned that "the EU Treaties demand that the EU promote its values, including the development of poorer countries, high social and environmental standards, and respect for human rights, around the world."²⁷⁰

According to Article 4.2.1: Using trade and investment to support inclusive growth in developing countries, the EU is considered itself at the forefront of using trade policy to promote the development of the poorest countries where the EU stressed that "in line with the principle of policy coherence for development, the EU needs to make sure that its trade and investment initiatives contribute to sustainable growth and job creation. The Commission will engage with partners to build consensus for a fully-fledged, permanent International Investment Court. One of the aims of the EU is to ensure that economic growth goes hand in hand with social justice, respect for human rights, and high labor and environmental standards. Trade and investment policy based on values and minimize any negative impact on LDCs and other countries most in need. This is particularly relevant with regard to TTIP, given that the EU and the US are the world's two most important markets for developing countries' goods and services."²⁷¹

If implemented synchronizingly with development policy of the EU, the responsiveness and reinforcement of trade and investment will be more effective and consumer-oriented. Again, it benefits both the EU and partners around the world. This clearly demonstrates a positive sum game scenario.

²⁶⁹ European Commission. Trade for All: Towards a more responsible trade and investment policy. Retrieved from <http://trade.ec.europa.eu/doclib/docs/2015/october/tradoc_153846.pdf>. 2015. Page 10. Accessed on 29 October 2017. Page 21.

²⁷⁰ Ibid. Page 22.

²⁷¹ Ibid.

Through 'Trade for All strategy', its aim is to maximize the potential of increased trade and investment to decent work and to environmental protection. This includes the fight against climate change; engage with partner countries in a cooperative process in fostering transparency and civil society involvement. One can see here that trade and investment policy in connection with development policy of the EU cannot be separated when analyzing the inter-regional relations with partner countries across the globe. Although ASEAN is not the top major trading partner of the EU, trade flows have been significant for imports and exports, as can be seen from Figure 4.4 below. Therefore, the interaction between the two regional blocs is worth exploring and researching further when trade policy is related to development policy.

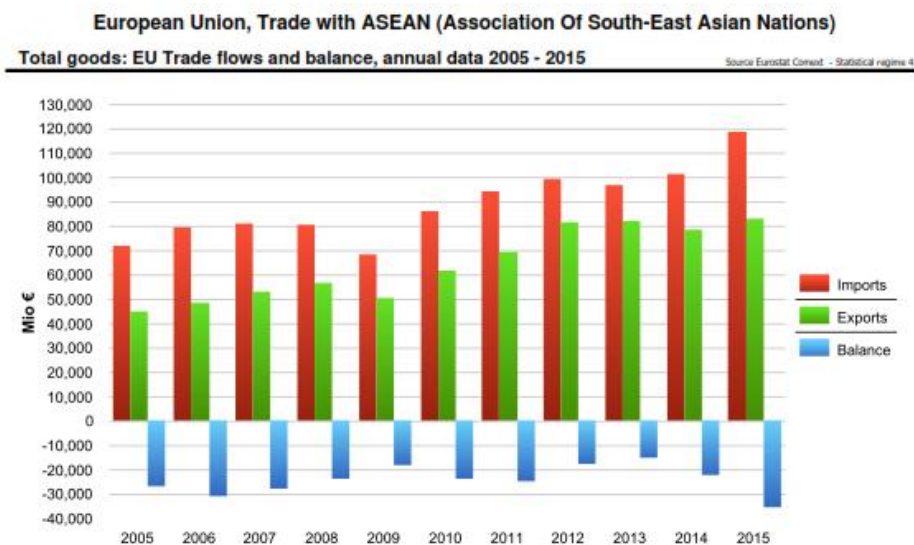


Figure 4.4: European Union, Trade with Association of Southeast Asian Nations, 2005-2015

Source: European Union, Trade with Association of Southeast Asian Nations, 2005-2015.

However, the EU still recognizes the importance of multilateral system in accordance with the WTO rules when pursuing trade policy, as mentioned in the latest 'Trade for All' strategy, which reads "the EU should do everything possible to restore the centrality of the WTO as a trade negotiation forum. Everybody stands to gain from global rules that apply to almost all countries, 161 at the last count. The biggest losers

of a failure to move forward at the WTO would be the most vulnerable developing countries, as well as countries without an active bilateral or regional agenda.”²⁷²

Open approaches like bilateral, regional and FTAs agreements are considered mechanisms to support such multilateral agreements in trade and negotiations. The move of Vietnam and EU FTA can fall under this approach since the Asia-Pacific region is critical for the operation of Global Value Chains or GVCs.²⁷³

To elaborate, the connection of Global Value Chains with ASEAN, under the new 10-year ASEAN Economic Community (AEC) 2025 roadmap, it focuses on the acceleration of trade facilitation and elimination of trade barriers by 2025.²⁷⁴ This will help the progress of trade liberalization and economic integration within ASEAN itself and between trading partners. As a result, trade policy of ASEAN tends to be more GVC-driven policies.

Measures like human health and safety standards are of importance, however; some red tape and long procedures, which are unnecessary, can be removed in response to GVCs at the international standards. Looking at international trade front, it is worth noting that ASEAN's trade and investment policies regarding GVCs may look at a more holistic approach in order to increase the connection between domestic firms and global networks.²⁷⁵

Interestingly, the EU formulated the guiding principles for interested countries or regions pursuing bilateral relations with the EU. These are as follows:

- *For EU trade policy to deliver jobs and growth, our priorities to open negotiations must continue to be primarily based on economic criteria, while also considering partners' readiness and the broader political context.*

²⁷² European Commission. Trade for All: Towards a more responsible trade and investment policy. Retrieved from <http://trade.ec.europa.eu/doclib/docs/2015/october/tradoc_153846.pdf>. Page 27. Accessed on 4 November 2017.

²⁷³ Ibid. Page 29.

²⁷⁴ Daniel Wu. Are global value chains the kickstart that AEC needs? Retrieved from <http://www.eastasiaforum.org/2016/04/27/are-global-value-chains-the-kickstart-that-aec-needs/?utm_source=newsletter&utm_medium=email&utm_campaign=newsletter2016-05-02>. Accessed on 10 November 2017.

²⁷⁵ Ibid.

- *FTAs must provide reciprocal and effective opening, based on a high level of ambition. This requires tackling barriers in a comprehensive way, along with effective implementation and enforcement, without leaving room for new barriers to replace old ones. Nonetheless, the EU needs to keep a flexible approach to FTA negotiations to take account of the economic realities of its partners.*
- *In future, the EU will need to improve consistency between its approach towards emerging countries at multilateral, bilateral and unilateral levels. In particular, with those countries that have graduated from GSP, close to full reciprocity in our future bilateral agreements should be expected.*²⁷⁶

Given that ASEAN Member States joining the bloc with the aim to consolidate regional cooperation, Member States like Singapore and Vietnam already signed an FTA with the EU while negotiations between the EU and Indonesia, the Philippines, Malaysia, Myanmar and Thailand are underway. One can see that, nowadays the economic advancement reasoning is given more preference than that of political and security concerns. In addition, the EU has strategically engaged ASEAN under an ASEAN strategy based on 'individual agreements as building blocks towards a region-to-region EU-ASEAN framework' along with other countries in Asia-Pacific region like China, South-Korea, Taiwan, Hong Kong, and others.²⁷⁷

Therefore, region to region approach in connection with individual agreement is planned for the EU and ASEAN member states to interact and pursue collaborations at many levels and sectors. The EU's values and standards are stressed concisely when exercising trade and investment policy. These values are such as human rights, labor rights, consumer protection, and development support.²⁷⁸ When analyzing the EU's values with Normative Power Europe, it shows how the EU exports set of beliefs as well as trade interests.

²⁷⁶ European Commission. Trade for All: Towards a more responsible trade and investment policy. Retrieved from <http://trade.ec.europa.eu/doclib/docs/2015/october/tradoc_153846.pdf>.Page 30. Accessed on 15 November 2017.

²⁷⁷ Ibid. Page 31.

²⁷⁸ Ibid. Page 35.

4.4 ASEAN Trade Policy

ASEAN creates ASEAN Economic Community (AEC) to enhance trade and investment. To be more specific, it involves two key aspects, which are free flow of goods and free flow of investment. This is to transform ASEAN into a single market and production base by 2015. In order to understand ASEAN trade policy, it is important to examine the trade and investment aspect and its volume in ASEAN first.

Although ASEAN still has no common trade and investment policy at regional level stated clearly, intra-ASEAN trade has been growing faster than extra-ASEAN trade as statistics appears in Figure 4.5 below.

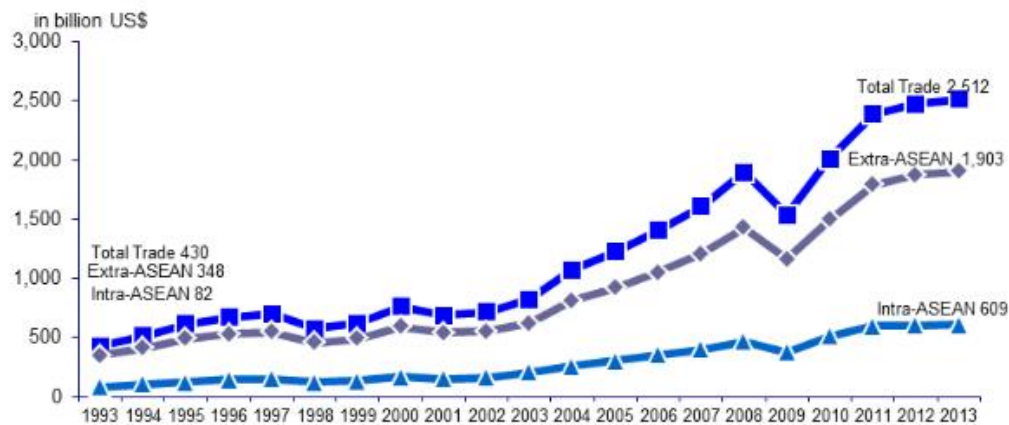


Figure 4.5: Trend of ASEAN Total Trade and Intra-ASEAN Trade

Source: ASEAN. A Closer look at ASEAN Trade Performance, Dependency and Investment. 2014.

AMS	ANZ	Chn	India	Japan	ROK	EU-28	USA	ASEAN
Brunei Darussalam	11.5	1.4	7.6	39.8	16.3	0.1	0.1	23.1
Cambodia	0.7	3.0	0.1	3.6	1.1	26.9	22.6	14.2
Indonesia	2.7	12.4	7.1	14.8	6.3	9.2	8.6	22.3
Lao PDR	27.8	14.0	0.0	0.9	0.1	8.8	0.3	47.6
Malaysia	4.6	13.4	3.6	11.1	3.6	9.1	8.1	28.1
Myanmar	0.1	26.7	7.1	6.8	2.9	1.8	0.1	49.2
Philippines	1.6	12.2	0.5	21.2	5.5	11.4	14.5	16.0
Singapore	4.3	11.8	2.7	4.3	4.1	7.6	5.7	31.4
Thailand	5.0	11.9	2.3	9.7	2.0	9.8	10.1	25.9
Viet Nam	2.7	10.0	1.8	10.3	5.0	18.3	18.0	13.7
Notes:								
Very important (share above 15%)								
Important (share 10-14.9%)								
Fairly important (share 5-9.9%)								
Less important (share <5%)								

Figure 4.6: Share of Export to Trade Partners, by Exporting Country, 2013

Source: ASEAN. A Closer look at ASEAN Trade Performance, Dependency and Investment. 2014.

As trade account shown in Figure 4.6, trade volume between the EU and ASEAN member countries is considered considerably important in general when compared with internal trade among ASEAN member countries. Interestingly, trade between China and ASEAN has gained more momentum since the inception of ASEAN-China Free trade Area or ACFTA. This competition of trade is a nature of each nation pursuance for greater benefits and advantages.

Now let's turn to look at the import pattern.

AMS	ANZ	Chn	India	Japan	ROK	EU-28	USA	ASEAN
Brunei Darussalam	1.7	11.3	0.9	5.8	3.4	9.4	11.9	51.0
Cambodia	0.2	32.6	1.0	1.9	4.0	2.7	12.0	30.7
Indonesia	3.1	16.0	2.1	10.3	6.2	7.3	4.9	29.0
Lao PDR	0.5	15.5	0.4	2.9	2.8	1.2	0.3	75.8
Malaysia	3.0	16.4	2.5	8.7	4.7	10.8	7.9	26.7
Myanmar	0.6	30.5	3.1	13.2	11.7	2.1	0.9	35.3
Philippines	2.4	13.1	1.2	8.6	7.7	10.0	10.9	21.8
Singapore	1.3	11.7	2.4	5.5	6.4	12.4	10.3	20.9
Thailand	2.4	15.1	1.4	16.5	3.6	9.2	5.9	17.8
Viet Nam	1.5	27.9	2.2	8.8	15.7	7.1	4.0	16.2
Notes:								
Very important (share above 15%)								
Important (share 10-14.9%)								
Fairly important (share 5-9.9%)								
Less important (share <5%)								

Figure 4.7: Share of Import to Trade Partners, by Exporting Country, 2013

Source: ASEAN. A Closer look at ASEAN Trade Performance, Dependency and Investment. 2014.

It is also necessary to mention that investment in ASEAN, i.e. foreign direct investment or FDI plays a significant role in this region as the statistic shown in Figure 4.8 below.

Source Country	1995	2000	2009	2010	2011	2012	2013p/
Intra-ASEAN	4,651	1,219	6,672	15,200	15,228	20,658	21,322
Australia	535	-325	994	4,001	1,530	1,831	2,002
Canada	609	-98	753	1,298	768	924	851
China	137	20	1,965	4,052	7,858	5,377	8,644
EU-28	5,049	9,210	8,598	19,018	29,693	18,085	26,980
Hong Kong	1,257	912	5,650	1,735	4,274	5,030	4,517
India	108	59	553	3,474	-2,230	2,233	1,317
Japan	5,633	968	3,919	11,171	9,709	23,777	22,904
New Zealand	35	24	-157	22	7	-108	246
Pakistan	3	1	15	30	12	-21	-1
Republic of Korea	611	-191	1,799	4,299	1,742	1,708	3,516
Russia	-	-	140	60	68	184	542
Taiwan, Province of China	913	866	-70	1,116	1,033	2,317	2,242
USA	4,335	6,913	5,215	12,285	9,130	11,080	3,758
Rest of the World	4,286	2,563	10,695	22,683	17,432	21,284	24,456
Unspecified	-	-334	-	-	-	-	-
Total	28,164	21,809	47,927	100,360	97,538	114,284	122,377

Note: p/ Preliminary as of 30 July 2014

Figure 4.8: FDI Inflows into ASEAN, by Source Country (US\$ million)

Source: ASEAN. A Closer look at ASEAN Trade Performance, Dependency and Investment. 2014.

The EU ranked at the top for investing in ASEAN in accordance with Figure 4.9 shown below which depicts the trend of FDI inflows in ASEAN from 1995-2013; the total investment was worth 26,980 million US dollars.

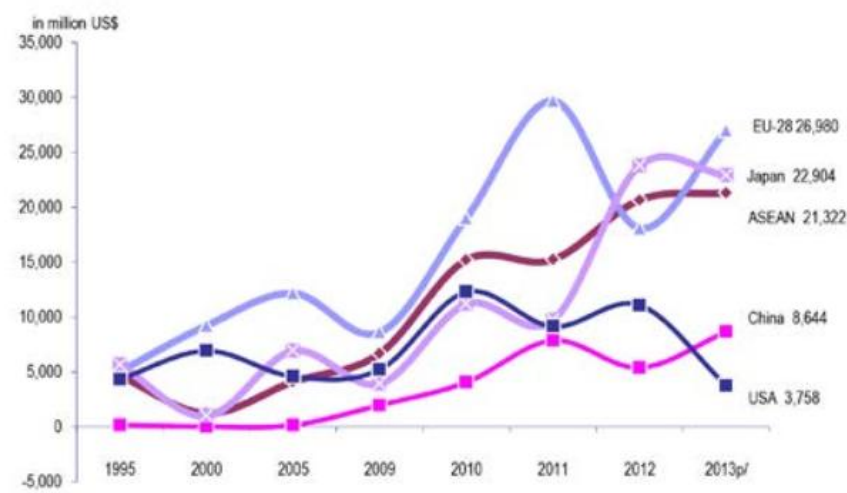


Figure 4.9: Trend of FDI Inflows in ASEAN, by Source Country, 1995-2013

Source: ASEAN. ASEAN Community in Figures: Special Edition 2014.

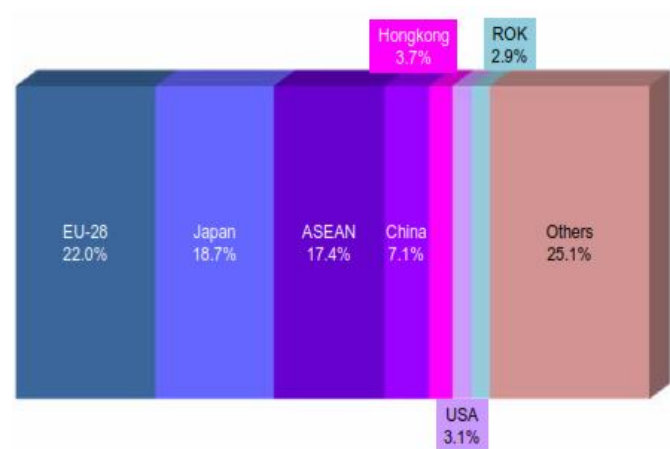


Figure 4.10: Sources of ASEAN FDI Inflows, 2013

Source: ASEAN. ASEAN Community in Figures: Special Edition 2014.

According Figure 4.10, the EU-28 ranked the top source of FDI inflows in ASEAN, accounting for 22 percent of the total share, followed by Japan with 19 percent, ASEAN Member states (intra-ASEAN) with 17 percent, China with 17 percent and Hong Kong accounted for 3.7 percent and others combined with 25.1 percent respectively.

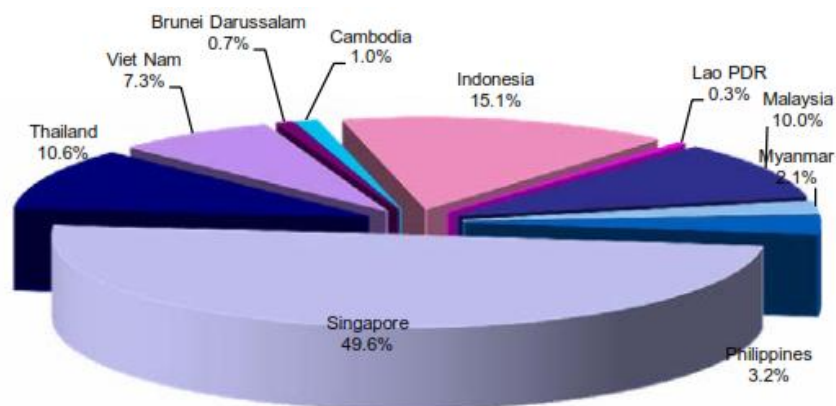


Figure 4.11: Recipients of ASEAN FDI Inflows, 2013

Source: ASEAN. ASEAN Community in Figures: Special Edition 2014.

Considering FDI inflows received by each of ASEAN Member States, unsurprisingly, Singapore obtained the biggest share of FDI inflows, accounting for almost 50 percent, followed by Indonesia, Thailand and Malaysia, Vietnam, the Philippines, Myanmar, Cambodia, Brunei Darussalam, and Lao PDR respectively. Among CLMV countries, Vietnam was the highest recipient of FDI inflows.

One more area of trade which needs to be included to consider for the growth of ASEAN is trade in services. The recent statistics appear below.

Country	Agriculture			Industry			Services		
	2005	2008	2012	2005	2008	2012	2005	2008	2012
Brunei Darussalam	1.3	1.1	1.3	61.2	54.8	51.0	37.5	44.1	47.8
Cambodia	29.4	28.4	25.0	26.8	29.5	29.7	38.5	42.1	38.4
Indonesia	14.5	13.7	12.5	44.1	42.1	40.3	41.4	44.3	47.2
Lao PDR		32.4	26.9		21.6	28.3		39.0	38.5
Malaysia	8.3	7.8	7.3	43.8	40.1	36.8	46.8	50.9	54.6
Myanmar		43.6	34.9		19.8	27.4		36.5	37.7
Philippines	13.3	12.8	11.1	32.7	32.4	32.0	54.0	54.8	56.9
Singapore	0.1	0.0	0.0	30.2	29.2	32.1	62.3	64.2	61.8
Thailand	9.0	8.8	8.4	46.9	47.9	47.1	44.0	43.3	44.4
Viet Nam	19.6	17.7	15.8	40.2	41.5	41.6	40.3	40.8	42.6

Figure 4.12: Share of GDP by Sectors (percent), 2005-2012

Source: ASEAN. ASEAN GDP Growth, backed by Services. 2013.

Considering the share of Services sector alone, all ASEAN member states, except Brunei Darussalam, have gained greater share from Services sector than other sectors. Apparently, services sector became the main driver of growth for GDP in ASEAN.

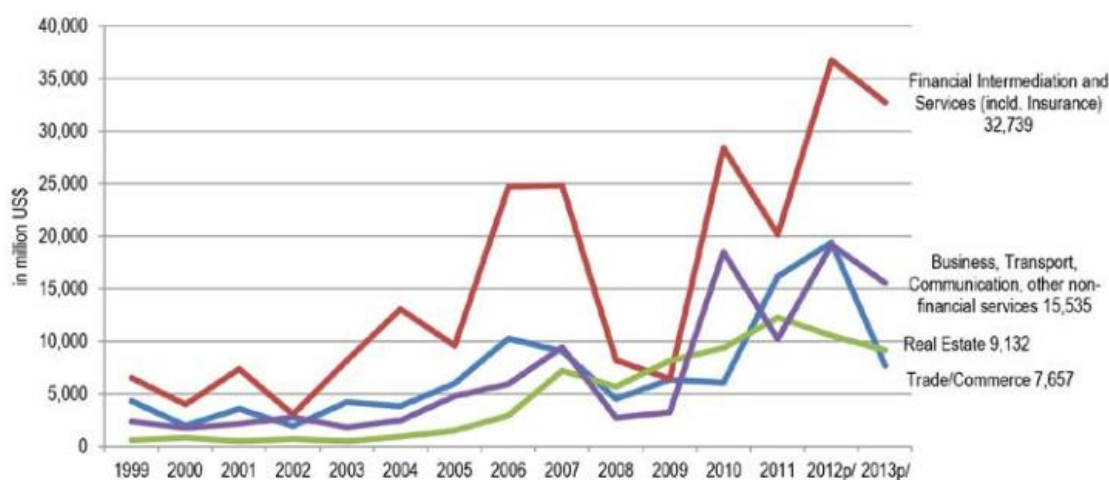


Figure 4.13: Trend of ASEAN FDI Inflows in Services Sector, by Type of Economic Activity

Source: ASEAN. ASEAN GDP Growth, backed by Services. 2013.

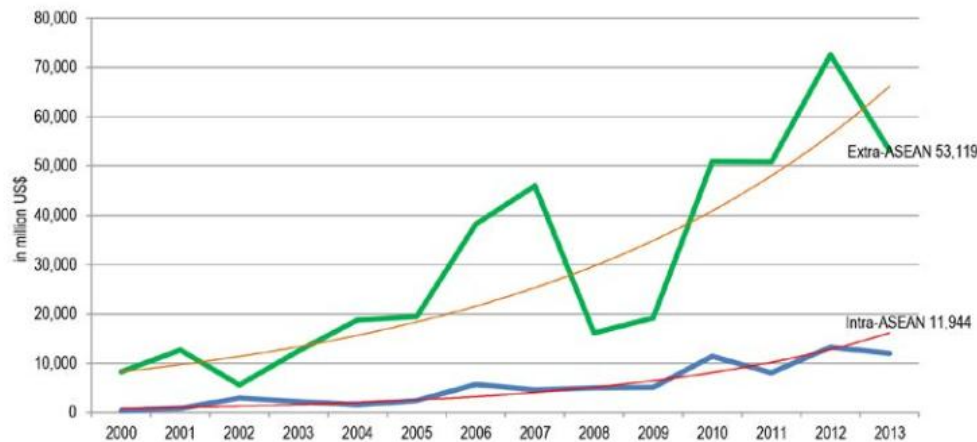


Figure 4.14: Trend of Intra-ASEAN and Extra-ASEAN FDI Inflows in Services Sector

Source: ASEAN. ASEAN GDP Growth, backed by Services. 2013.

In comparison with trade in goods and Intra-ASEAN FDI inflows, Extra-ASEAN Inflows in services sector constituted more share than those mentioned. By 2013, the value of Extra ASEAN was worth 53,119 million US dollars with a positive trend.

Unlike the EU, ASEAN member states still maintain their internal trade policy to formulate and conduct, though ASEAN Member States has collective commitments stated in ASEAN Charter. However, ASEAN Charter only provides general guidelines and views to implement policy to be in line with the Charter framework. As a result, there is no such common ground on trade and investment policy as well as development policy at regional level. In addition, sources of statistics, facts and important documents related to trade and development policy for the creation of opportunity with the EU at regional level are insufficient.

Now let's consider trade policy of each ASEAN Member States.

4.4.1 Brunei Trade policy

When looking at Brunei Darussalam's Foreign Trade Policy Objectives, none is directly mentioned about well-being or other related factors. For instance, 'To promote an outward looking and conducive environment for trade and investment in Brunei Darussalam and to maximize benefits from involvement in international and regional fora.'²⁷⁹

In addition, there are main pillars of Brunei Darussalam's Foreign Trade Policy. These are as follows:

- 1) *the World Trade Organization (WTO) provides the stable framework of multilateral trade rules that ensure the freer flow of goods and services,*
- 2) *Participation in regional economic forums is based on the concept of "open regionalism", and*
- 3) *Free Trade Agreements (FTAs) with key trading partners can help to facilitate trade liberalization and strengthen trade links.*²⁸⁰

This includes the 'Guiding Principles of Brunei Darussalam's Foreign Trade Policy, which are 'Pursuit of free and open trade within the context of multilateral trade rules', 'Support for an open, rules-based and non-discriminatory multilateral trading system, and 'Recognition of "open regionalism" as a building block towards multilateral trade liberalization.'²⁸¹

In general, the economy of Brunei Darussalam remains highly dependent on oil and gas, which accounts for approximately two-thirds of output, and over 90 percent of merchandise exports and government revenues. This particularly makes Brunei vulnerable to a depletion of its petroleum resources, and remains a cause for concern due to fluctuating international energy prices. The Brunei government is thus implementing an ambitious diversification strategy and promoting private-sector participation in the economy, which remains limited.

²⁷⁹ Brunei Darussalam's Foreign Trade Policy. Retrieved from

<<http://www.mfa.gov.bn/SitePages/Brunei%20Darussalam%E2%80%99s%20Foreign%20Trade%20Policy.aspx>>.

Accessed on 24 October 2019.

²⁸⁰ Ibid.

²⁸¹ Ibid.

However, in terms of factors relating to well-being, goods imported into Brunei may be subject to import and excise duties. In this regard, Brunei has introduced new excise duties on liquors, tobacco, vehicles, nuclear reactors, boilers, machinery, and mechanical appliances, and medical or surgical instruments. As a result, these new excise duties are levied for fiscal, social, health, and environmental considerations. Goods that are subject to excise duties are not manufactured in Brunei. Import and export prohibitions, restrictions, and licensing requirements apply on various products for safety, health, and moral grounds. In some cases, Brunei maintains export restrictions on certain goods, such as sugar, rice, paddy and products thereof; this is to ensure adequate domestic supply and price stability.²⁸²

4.4.2 Cambodia Trade policy

Cambodia has been an active player in international trade. According to the Cambodia Trade Integration Strategy 2019-2023 by the Ministry of Commerce, around 80 percent of Cambodia's exports are sold to just 8 partner countries, mostly to the EU and US. ASEAN is regarded as the key driver of regional integration and trade facilitation. Some measures such as Sanitary and Phyto-Sanitary (SPS), complying with agricultural and food standards and adhering to preferential origin rules, have been identified as a key constraint for Cambodia's export to ASEAN. Currently only around one fifth of Cambodia's exports are sold to ASEAN Member States. The use of tariff preferences among Cambodian businesses is low and only relatively few Cambodian companies apply for preferential certificates of origin under ASEAN related Free Trade Agreements.²⁸³

²⁸² Trade Policy Review: Brunei Darussalam. Retrieved from

https://www.wto.org/english/tratop_e/tpr_e/s309_sum_e.pdf>. Accessed on 24 October 2019.

²⁸³ Cambodia's new trade strategy. Retrieved from <https://www.khmertimeskh.com/623772/cambodias-new-trade-strategy/>>. Accessed on 24 October 2019.

Let's consider one of Cambodia trade policy objectives, which were mentioned during the period of 2004-2010.

- *International trade plays a fundamental role in Cambodia's economic growth. Despite recent setbacks caused by the world economic and financial crisis, Cambodia's garment exports to North America and Europe, along with its tourism sector, have played an important role in expanding income and employment, and in reducing poverty.*²⁸⁴

Cambodia is considered one of the least developed countries or LDCs; as a result it can benefit from 'Aid for Trade' scheme. Under 'Aid for Trade', there is a strategic framework called Trade Sector-Wide Approach or Trade SWAp, which seeks to facilitate trade for Cambodia to be more competitive in international trade. In this regard, Trade SWAp provides five key goals, which are as follows:

- *Goal 1: Job creation and poverty reduction impacted positively by trade expansion*
- *Goal 2: Exports expand as a result of diversification*
- *Goal 3: RGC increases capacity to formulate, implement trade policies and strategies*
- *Goal 4: RGC's responsiveness to private sector needs increases as a result of better dialogue*
- *Goal 5: RGC improves its planning, implementation and monitoring capacity by implementing Trade SWAp*²⁸⁵

In addition, Cambodia introduced a more competitive trade policy by the Ministry of Commerce. Cambodia materialized under the title 'Cambodia Trade Integration Strategy 2014-2018.'

²⁸⁴ Trade Policy Review of Cambodia. Retrieved from

<https://www.moc.gov.kh/Portals/0/Docs/TradeInfo/CCRTRADE%20POLICY%20REVIEW%20Full-20181022101227155.pdf>>. Accessed on 24 October 2019.

²⁸⁵ Ibid. Page 91.

The document illustrates key Cambodian products and sectors for trade; these are such as garments, footwear, processed food, fisheries, milled rice, cassava, rubber, tourism, high value silk products, among others. Trade SWAp framework once again plays a key role in assisting trade for Cambodia by mainstreaming the private sector into trade. This framework clearly states that “at the policy level, trade mainstreaming involves enhancing the understanding and awareness of how trade can contribute to the broader good and ensuring that trade is taken into account in setting national and sector priorities. Since trade is a crosscutting issue, integrating it into the policy process requires interaction with nearly every government entity at national and subnational levels—a complex task. However, trade on its own cannot deliver development objectives; complementary policies are required and must be properly sequenced.”²⁸⁶

Moreover, Cambodia sees the importance of international cooperation and assistance. At the international cooperation level, the development partner community has an important role to play in mainstreaming trade. This must systematically integrate trade into different approaches through country and sector analyses, strategies, assistance programs, and activities. To elaborate, trade mainstreaming involves articulating trade-related priorities in order to stimulate economic development, reduce poverty, and achieve the MDGs. This includes the translation of policy statements into operational objectives and action plans, connecting strategies to resources and following through with implementation, monitoring and evaluation of results.²⁸⁷

This is clear that trade policy of Cambodia creates linkages between trade and development by promoting employment and poverty reduction as well as efforts to attain MDGs, which are factors of well-being.

²⁸⁶ Cambodia Trade Integration Strategy 2014-2018. Retrieved from

<<http://www.oecd.org/aidfortrade/countryprofiles/dtis/Cambodia-DTISU-2014.pdf>>. Page 430. Accessed on 24 October 2019.

²⁸⁷ Ibid. Page 431.

4.4.3 Indonesia Trade Policy

In general, Indonesia's trade policy objectives are formulated to increase the export of non-oil products, strengthen the domestic market and manage the availability of basic products; and to strengthen national distribution channels. Indonesia has identified ten priority products when negotiating trade. Indonesia economic priorities can be understood within the context of various development plans, which aim to increase the competitiveness of Indonesia's businesses and encourage a shift into higher value-added activities. At the heart of economic development, six regional economic corridors are of focus, each with industrial clusters focusing on priority sectors. These corridors would be connected through an enhanced transport and ICT infrastructure, which is currently poor. The realization of these objectives will rely on private investment.²⁸⁸

Indonesia's Master Plan for the Acceleration and Expansion of Economic Development 2011-2025 recognizes that higher and sustainable economic expansion, diversified sources of growth, accelerating infrastructure development and closing the development gap between eastern and western regions are of critical necessity. Real GDP was forecasted by the World Bank to grow by 6.1 percent in 2012, rising slightly to 6.3 percent in 2013, assuming continued strong consumption and investment growth, supported by a recovery in exports.²⁸⁹ To date, economic growth is projected to remain above 5 percent in 2019-20. Rising incomes helps lift private consumption. Consumption growth has picked up as a result of ongoing job creation and expanding government social projects/programmes.²⁹⁰

Moreover, Indonesia's medium-term trade policy objectives are to increase the export of non-oil products, strengthen the domestic market and manage the availability of basic products; and to strengthen national distribution channels. The realization of these objectives will be dependent to a considerable extent on

²⁸⁸ WTO Trade Policy Review for Indonesia. Retrieved from <<http://www.intracen.org/BB-WTO-Trade-Policy-Review-Indonesia/>>. Accessed on 25 October 2019.

²⁸⁹ Ibid.

²⁹⁰ Indonesia. Retrieved from <http://www.oecd.org/economy/outlook/economic-forecast-summary-indonesia-oecd-economic-outlook.pdf>>. Accessed on 25 October 2019.

private investment.²⁹¹ One aspect of trade relations between the EU and Indonesia is focused on sustainable development, following FTA negotiation. Following successful exploratory discussions to further deepen EU-Indonesia trade and investment relations, negotiations for an EU-Indonesia FTA were on 18 July 2016. The ambition is to conclude a FTA that facilitates trade and investments and covers a broad range of issues, including tariffs, non-tariff barriers to trade, trade in services and investment, trade aspects of public procurement, competition rules, intellectual property rights as well as sustainable development. A Sustainability Impact Assessment (SIA) has been launched in support of FTA negotiations between the EU and Indonesia. The SIA seeks to assess how trade and trade-related provisions in the proposed FTA could potentially impact economic, social, human rights and environmental elements in each trading partner and in other relevant countries.²⁹²

A tangible move can be seen from a dedicated official website for the practice of Sustainability Impact Assessment (SIA), <http://www.eu-indonesia-sia.com/>. This is aimed to implement SIA in support of free trade agreement (FTA) negotiations between the European Union and Indonesia. It is by far a critical factor for pursuing regional and/or bilateral approaches before committing to any trade policy and its implementation.

4.4.4 Lao PDR Trade Policy

The EU works closely with Laos under the framework of the EU-ASEAN Cooperation Agreement to ensure an effective environment for trade and investment relations. Laos is a member of WTO since 2013 and, as a least developed country, benefits from the EU's "Everything But Arms" scheme, which grants unilateral duty free, quota free access for all exports, except arms and ammunition to the EU.

²⁹¹ Trade Policy Review: Indonesia. Retrieved from <https://www.wto.org/english/tratop_e/tpr_e/s278_sum_e.pdf>. Accessed on 25 October 2019.

²⁹² EU and Indonesia. Retrieved from <<https://ec.europa.eu/trade/policy/countries-and-regions/countries/indonesia/>>. Accessed on 25 October 2019.

In 2018, trade picture of Laos PDR captured the total trade between the EU and Laos equaled 408 million euro. In addition, the EU ranked as the fourth biggest trade partner of Laos (after Thailand, China and Vietnam), accounting for 3.8 percent of the country's total trade. The EU imported goods worth 237 million euro from Laos. Textiles, clothing and agricultural products remained dominant of EU imports from Laos. The EU also exported goods worth almost 171 million euro to Laos, which mainly consisted of machinery.²⁹³

Lao PDR, interestingly, puts emphasis on trade and development policy collectively. This can be seen from Lao Government's development strategy, including macroeconomic goals, which are set out in four main documents. These are the Party's four Breakthrough Areas, the 7th five-year National Social and Economic Development Plan (NSED) covering 2011-15, Vision 2020 and the National Export Strategy. The most recent five-yearly Party Congress, held in March 2011, identified the need for a breakthrough approach in order to accelerate development, signaling a decisive move towards the market economy. The approach composes four key elements as follows:

- 1. Thinking: remove old dogma and stereotypes, and address passiveness and extremism.*
- 2. Human resources: Improve knowledge and competence of personnel in various fields to address development needs.*
- 3. Administrative governance: remove all regulatory and administrative bottlenecks hindering growth of productive and service businesses.*
- 4. Poverty reduction: Mobilize funds, and make targeted investments in economic and social policy context and macroeconomic background infrastructure to drive strong development in other areas.*²⁹⁴

²⁹³ EU and Lao PDR. Retrieved from <https://ec.europa.eu/trade/policy/countries-and-regions/countries/laos/>. Accessed on 25 October 2019.

²⁹⁴ Diagnostic Trade Integration Study 2012: Trade and Private Sector Development Roadmap. Retrieved from

<http://www.laoftpd.com/wp-content/uploads/2019/01/DTIS-2012.pdf>. Page 45. Accessed on 25 October 2019.

Moreover, a major concern has been expressed about the inequitable nature of growth and the entrenchment of poverty. Thus, public investment is aimed at creating more balanced and more pro-poor growth by strengthening the supply side of the economy and reducing reliance on the mining sector. Additional objectives include raising domestic food production and connecting producers to markets with new roads in order to reduce shortages. The resulting lower transportation costs and increased supply could eventually offset the impact of higher fuel prices.

Furthermore, the targets of NSEDP 7 are to:

- *Ensure national economic growth with security, peace and stability, and maintain an annual GDP growth rate of at least 8 per cent and GDP per capita to be at least US\$1,700 at the end of the plan.*
- *Achieve the Millennium Development Goals and poverty reduction by 2015, adopt appropriate technology and skills, and create favorable conditions for graduating the country from LDC status by 2020.*
- *Ensure sustainability of development by emphasizing the links and balances between economic development, cultural and social progress, natural resources preservation, and environmental protection.*
- *Ensure political stability, peace and an orderly society.*²⁹⁵

Lao PDR has been playing an active role in international trade. In 2012, it received grant to support the implementation of trade and integration priorities outlined in the 2012 Diagnostic Trade Integration Study (DTIS) Roadmap. This was under the Second Trade Development Facility Project for Lao People's Democratic Republic, it sought to contribute to improved competitiveness and diversification, focusing outside the natural resource sectors. This project sought the approval of the Regional Vice President for an Additional Financing (AF) grant in the amount of 2.5 million US dollars to the Lao People's Democratic Republic's Second Trade Development Facility Project. The AF involved restructuring as the revision of

²⁹⁵ Ibid.

the results framework is being proposed, and the closing date of the project was extended for a period of 18 months to September 2018.²⁹⁶

Under this project, themes covered were Economic policy (Trade and Trade facilitation), Private Sector Development (Business Enabling Environment, Investment and Business Climate and Regional Integration), Human Development and Gender (Labor Market Policy and Programs, Active Labor Market Programs, and Labor Market Institutions). This project was financed by Australia, the EU, Germany, Ireland, and the United States.²⁹⁷

4.4.5 Malaysia Trade Policy

Malaysia is considered one of the world's most open economies. Trade is equivalent to 130 percent of its GDP. Malaysia trade policy is fairly liberal and transparent and has contributed to its economic growth, which has averaged 5 percent over the past few years although facing the vagaries of global economic environment.²⁹⁸

Aside from that, Malaysia is considered a middle-income country with a diverse economy. Therefore, trade is very important, with a major focus on exports and imports of goods and services. Although between 2013 and 2016, there were some changes to the structure of trade in goods. As a result, exports and imports declined, mainly due to lower commodity prices.

²⁹⁶ Second Trade Development Facility Project for Lao People's Democratic Republic. Retrieved from <https://projects.worldbank.org/en/projects-operations/project-detail/P130512?lang=en>. Accessed on 25 October 2019.

²⁹⁷ Three Analytical Reports on Trade in Lao PDR. Retrieved from <https://www.worldbank.org/en/country/lao/publication/trade-in-lao-pdr>. Accessed on 25 October 2019.

²⁹⁸ Maria, Rebecca Fatima Sta. Malaysia's Trade Policy: Time for Review. 2018. Retrieved From <https://think-asia.org/handle/11540/8476>. Accessed on 30 October 2019.

Concerning the export side, the value of exports of fuels and palm oil declined while exports of office machines and telecommunications equipment increased. Other Asian countries and other ASEAN Member States in particular are the main source of imports and destination for exports. With regard to a long-term economic policy, it is set out in 'Vision 2020', which includes the objective of achieving high-income country status by 2020, inter alia, sharply accelerating the growth of labor productivity. Moreover, the 11th Malaysia Plan and sectoral plans, such as the National Agrofood Policy 2011-20 and the National Commodity Policy 2011-20, emphasize the importance of productivity, innovation, and trade in achieving economic growth. Malaysia has been making efforts to modernize Malaysia's business licensing system by reviewing licenses and making them accessible online. On top of this, the Malaysia Productivity Corporation (MPC) conducted sectoral regulatory reviews to reduce unnecessary regulatory burdens on business.²⁹⁹

According to the Mid-Term Review of the Eleventh Malaysia Plan (MTR-11MP) 2016 - 2020. Pillar VI of the MTR-11MP that focuses on strengthening economic growth is aligned with the Ministry of International Trade and Industry's (MITI) vision to make Malaysia the preferred investment destination and among the most globally competitive trading nations. In this first policy document, the Malaysian Government outlined new priority areas that take into account "the challenging global economic environment. Measures to further strengthen the economy include driving productivity, promoting quality investment, embarking on initiatives for industries to move up the value chain, strengthening exports and emphasizing a fiscal consolidation path to ensure sustainability in the medium term."³⁰⁰

²⁹⁹ Trade Policy Review: Malaysia. Retrieved from

<https://www.wto.org/english/tratop_e/tpr_e/s366_sum_e.pdf>. Accessed on 30 October 2019.

³⁰⁰ MITI Report 2018. Ministry of International Trade and Industry Malaysia 2018. Retrieved from

<https://www.miti.gov.my/miti/resources/MITI%20Report/MITI_Report_2018.pdf>. Page III. Accessed on 30 October 2019.

Malaysia is aware of changes and development in the global trading system. The Institute of Southeast Asian Studies (ISEAS) provided recommendations for Malaysia to implement for a more tangible sustainable development and social empowerment in relation to trade and investment policy. Some priority areas, which are of focus, are such as a policy to encourage investments in line with sustainable and inclusive development. Investments that have an environmental impact should not only be subjected to an Environmental Impact Assessment (EIA) but also a Social-Impact Assessment. Consequently, this will help ensure that the investments are of high technology and environment-friendly and not disruptive to communities. Moreover, Human Capital Development and Labor Policy is of an urgent need to review in addition to the reform of education and skills development policies if Malaysia wishes to remain competitive and attractive to foreign and domestic investors.³⁰¹

Overall trade picture between the EU and Malaysia looks economically reciprocal. Bilateral trade between the two partners valued 39.8 billion euro in 2018. EU imports from Malaysia have gradually increased since 2006 and accounted for 25.6 billion euro in 2018 while EU exports have experienced a growing trend to reach 14.2 billion euro. Interestingly, the EU is the third largest trading partner of Malaysia (after China and Singapore), accounting for 11.6 percent of the country's total trade. In 2018, Malaysia became the EU's 23rd largest trading partner in goods.³⁰²

Considering the importance of sustainability, the EU and Malaysia agreed to the implementation of Sustainability Impact Assessment (SIA). As a consequence, SIA was launched in support of FTA negotiations between the two partners. In this regard, the SIA seeks to assess how trade and trade-related provisions in the proposed FTA could potentially impact economic, social, human rights, and

³⁰¹ Maria, Rebecca Fatima Sta. Malaysia's Trade Policy: Time for Review. 2018.

Retrieved from <https://www.iseas.edu.sg/images/pdf/ISEAS_Perspective_2018_34@50.pdf>. Page 6. Accessed on 30 October 2019.

³⁰² Malaysia. European Commission. Retrieved from <<https://ec.europa.eu/trade/policy/countries-and-regions/countries/malaysia/>>. Accessed on 30 October 2019.

environmental elements in each trading partner and in other relevant countries. A dedicated website for this effort can be reached at <http://www.eu-malaysia-sia.com/>.³⁰³

To sum up at this point, Malaysia trade and investment policy is becoming more liberal since investment restrictions are being relaxed in addition to the expansion of its network in trade agreements, both through ASEAN and on its own. “Given Malaysia’s abundance of natural resources, strategic location, and pragmatic policies, growth should continue towards the goal of becoming a high-income country by 2020.”³⁰⁴ Although well-being has not been mentioned directly, the fact that Malaysia agreed to conduct SIA, including its survey according to FTA negotiation process and conditions with the EU, reflects the relevant system conducive to the development of well-being has already been put in place.

4.4.6 Myanmar Trade Policy

Myanmar is an original member of the World Trade Organization (WTO). Myanmar considers that the multilateral trading system can bring a wide range of opportunities for Myanmar’s exports and overcome its supply-side constraints. At the same time, Myanmar’s trade policy is strongly influenced by its participation in ASEAN, and ASEAN’s free-trade agreements with third countries. Myanmar expects to benefit from GSP schemes reinstated by the EU and Norway. Myanmar has not been party to any dispute settlement proceeding at the WTO, as complainant, respondent, or third party.³⁰⁵

In accordance with the Ministry of Commerce of Myanmar, trade policy is aimed at serving national economic policy, which seeks to fulfill 4 elements. These are illustrated as follows: 1)

³⁰³ EU-Malaysia SIA. Retrieved from <<http://www.eu-malaysia-sia.com/>>. Accessed on 30 October 2019.

³⁰⁴ Trade Policy Review: Malaysia. Retrieved from <https://www.wto.org/english/tratop_e/tpr_e/s366_sum_e.pdf>. Page 4. Accessed 1 November 2019.

³⁰⁵ Trade Policy Review: Myanmar. Retrieved from <https://www.wto.org/english/tratop_e/tpr_e/s293_sum_e.pdf>. Accessed on 1 November 2019.

Sustainable development of agriculture towards industrialization and all round development, 2) Equitable and proportionate development among Regions and States, 3) Inclusive development of entire people, and 4) Quality of statistics and statistical system.³⁰⁶ There are also five trade policy objectives, which are listed below;

- *To formulate and implement the trade policies systematically in accordance with market economic system.*
- *To implement export promotion and enhance trade by means of advanced ICT.*
- *To expand trade through regional and international cooperation.*
- *To improve trade environment.*
- *To produce/maintain enough amount of essential and important goods for domestic consumption and manufacturing industries and stability of prices.*³⁰⁷

Moreover, Myanmar trade policy objectives consist of the systematic implementation according to market-oriented economic policy, which produces value-added products from primary goods to increase value-added in exports and thus promoting international trade as well as facilitating exports and imports. Concerning sustainability and a factor of well-being, this is emphasized as follows: “the Government has been promoting exports by exploring new export markets, and promoting exports of traditional and value-added products; its import policy, inter alia, is to boost imports of capital goods, which are considered by the authorities as the major requirement of the economy, as well as construction materials, hygienic materials for people’s health, and goods that support export-promotion activities.”³⁰⁸

³⁰⁶ Ministry of Commerce, Republic of the Union of Myanmar. Retrieved from

<<https://www.commerce.gov.mm/en/article/about-moc>>. Accessed on 1 November 2019.

³⁰⁷ Ibid.

³⁰⁸ Myanmar Trade Policy Objectives. Retrieved from

<https://www.commerce.gov.mm/sites/default/files/documents/2015/05/Trade%20Policy%20Review.pdf>>. Accessed on 1 November 2019.

One mechanism that can provide advantages for Myanmar trading system is that of 'Aid for Trade.' For instance, the Ministry of Commerce cooperated closely with the WTO in order to prepare Myanmar's ability in receiving more beneficial trade development assistance under the Special Enhanced Integrated Framework (EIF) program, which is actually under Aid for Trade program.³⁰⁹ This mechanism has a potential aspect in contributing to Myanmar's goal in reducing poverty as stipulated as "Myanmar has large potential for growth, with a young labor force, abundant natural resources, and proximity to a fast-growing dynamic economic region. However, significant impediments remain to modernizing Myanmar's economy and meeting the Government's goal of fostering inclusive broad-based growth and poverty reduction".³¹⁰ This is clear from Myanmar trade policy perspective that trade is a means to reaching social progress and inclusive development.

Concerning the EU and Myanmar trade cooperation, the EU released European Council's conclusions on EU strategy with Myanmar/Burma on 20 June 2016.³¹¹ Prior to that, the EU adopted its plan via 'Joint Communication to the European Parliament and the Council Elements for an EU Strategy vis-à-vis Myanmar/Burma: A Special Partnership for Democracy, Peace and Prosperity.'³¹²

Internationally, The EU has played a crucial role in Myanmar's transformation by reengaging with Myanmar. The EU also took a comprehensive approach through policy dialogue coupled with financial and other policy based instruments. In retrospect, the EU suspended sanctions and opened an office in 2012. In 2013 the EU lifted sanctions, opened a full EU Delegation and restored trade preferences under the 'Everything but Arms' scheme. Furthermore, the EU defined its priorities in the so-called

³⁰⁹ Ministry of Commerce. Trade Assistance Program. Retrieved from <<https://commerce.gov.mm/eif/my/aid-for-trade>>. Accessed on 1 November 2019.

³¹⁰ Trade Policy Review: Myanmar. Retrieved from <https://www.wto.org/english/tratop_e/tpr_e/s293_sum_e.pdf>. Accessed on 1 November 2019.

³¹¹ Council of the EU. Myanmar/Burma - Council conclusions on EU strategy with Myanmar/Burma (20 June 2016) Retrieved from <<http://data.consilium.europa.eu/doc/document/ST-10482-2016-INIT/en/pdf>>. Accessed on 1 December 2019.

³¹² Joint Communication to the European Parliament and the Council Elements for an EU Strategy vis-à-vis Myanmar/Burma: A Special Partnership for Democracy, Peace and Prosperity. Retrieved from <http://eeas.europa.eu/archives/docs/myanmar/docs/join_2016_24_f1_communication_from_commission_to_inst_en_v5_p1_849592.pdf>. Accessed on 1 December 2019.

'Comprehensive Framework', which was specifically aimed at guiding EU policy in the run-up to the November 2015 elections in Myanmar, for which the EU deployed the largest international Election Observation Mission. Concerning economic engagement, the EU tries to conclude the negotiations of the 'Investment Protection Agreement', which will help to improve the regulatory framework and labor standards, and prepare for negotiations on a Forest Law Enforcement, Governance and Trade Voluntary Partnership Agreement (FLEGT VPA). The EU also promotes a framework for mutually-beneficial trade and investment opportunities that protect labor standards. The EU and Myanmar have highly complementary economies. In short, the EU played a vital role in stimulating Myanmar's trade and economic development by removing sanctions.³¹³

In terms of trade outlook, as of 2018 the total trade between the two partners accounted for 2.9 billion euro in total. The EU ranked as the fourth biggest trade partner of Myanmar (after China, Thailand and Singapore), accounting for 9 percent of the country's total trade. Myanmar is the EU's 75th largest trading partner, accounting for 0.1 percent of the EU's total trade. The EU imported goods from Myanmar worth approximately 2.295 billion euro from Myanmar with main products were garment (74%) and agricultural products. The EU exported goods to Myanmar worth almost 592 million euro; main products were machinery, transport equipment and chemicals.³¹⁴

4.4.7 The Philippines Trade Policy

The Philippines pursues its trade policy interests at various levels: multilaterally, through the World Trade Organization (WTO); regionally via the Association of Southeast Asian Nations (ASEAN) and the Asia-Pacific Economic Cooperation (APEC). The Philippines is one of the founding members of WTO. The Philippines has a bilateral economic partnership agreement with Japan; has a free trade agreement with

³¹³ Ibid. Page 2, 11-12.

³¹⁴ European Commission. EU-Myanmar. Retrieved from <<https://ec.europa.eu/trade/policy/countries-and-regions/countries/myanmar/>>. Accessed on 1 December 2019.

the European Free Trade Association; is part of the ASEAN Free Trade Area (AFTA); and, through the ASEAN, has Free Trade Agreements (FTAs) with China, Japan, South Korea, Australia and New Zealand, and India.³¹⁵

In general, the Philippines's economic growth was driven mainly by consumption and infrastructure investment. GDP per capita in 2016 was around 2,950 US dollars up from 2,580 US dollars in 2012. The poverty rate declined from 25.2 percent in 2012 to 21.6 percent in 2015. Services constitute the most important sector in terms of contribution to GDP, and are considered the fastest growing export sector.³¹⁶

Interestingly, the Philippines Development Plan 2017-2022 focuses on making the economy more competitive and more open services markets, which are underpinned by sound regulatory practices and competition policy. In addition, the surge of manufactures imports, in particular capital goods and consumer products, is a result from infrastructure investment and the improvement of living standards within the country. In this respect, the United States, the EU, Japan, China, and ASEAN Member States are the Philippines' main trading partners.³¹⁷

In ASEAN, the Philippines is considered the EU's sixth largest trading partner while the EU is the fourth largest trading partner for the Philippines. Since December 2014, the Philippines enjoy enhanced trade preferences with the EU under the EU's GSP+ scheme. In 2017, the EU exported 6.6 billion euro worth of goods to the Philippines and imported for 7.6 billion euro. The EU exports of goods to the Philippines are dominated by machinery, transport equipment, chemicals, food products and electronic components while

³¹⁵ Department of Trade and Industry, Republic of the Philippines. Retrieved from

<<https://www.dti.gov.ph/15-main-content/dummy-article/681-international-trade-agenda>>. Accessed on 1 November 2019.

³¹⁶ Trade Policy Review: Philippines. Retrieved from <https://www.wto.org/english/tratop_e/tpr_e/s368_sum_e.pdf>. Accessed on 1 November 2019.

³¹⁷ Ibid.

the EU imports of goods from the Philippines are office and telecommunication equipment, machinery, food products and optical and photographic instruments. Both the EU and the Philippines concentrate on the export of services. For instance, in 2015 the EU's export of services was worth around 2 billion euro, this was dominated by IT and telecom services, and sea and air transport services. In comparison, the EU imported 2.2 billion euro worth of services from the Philippines, mainly related to transportation (sea transport), travel services and telecommunications. Moreover, the Philippines is one of the top destinations for investments from European businesses. In 2015, the total stock of EU foreign direct investment (FDI) held in the Philippines was worth approximately 6.1 billion euro, making the EU the largest investor in the country.³¹⁸

The Philippines was a former beneficiary of the EU's GSP where only 2,442 products from the Philippines were exported at zero duty while 3,767 products were subject to reduced tariffs. At present, the Philippines enjoys the European Union's Generalized Scheme of Preferences Plus (EU GSP+). The EU GSP+ is an enhanced tariff scheme that provides preferential access to developing countries to any of the 28 members of EU. In order to avail of the GSP +, an applicant country must meet two conditions. The former is non-diversification of exports and low proportions of EU imports and the latter is ratification of 27 international conventions on human and labor rights, environment and governance principles and effective implementation of these conventions. Currently, the Philippines is the only country in ASEAN to be accepted in the scheme. Under GSP+, it allows the country to export 6, 274 products to any of the 28 members of EU at zero tariffs. Some products that are eligible for the duty free access include textiles, garments, headwear, footwear, furniture, umbrellas, coconut and marine products, processed fruit, prepared food, animal and vegetable fats and oils, and chemicals.³¹⁹

Following Singapore and Vietnam trade development and agreements with the EU, the Philippines has been active in pursuing FTA with the EU. The EU officially launched negotiations with the Philippines on 22 December 2015. The first round of talks was held in Brussels in May 2016 and a second in Cebu City

³¹⁸ Sustainability Impact Assessment (SIA) in support of Free Trade Agreement (FTA) negotiations between the European Union and the Philippines. Draft Interim Report. Retrieved from http://trade.ec.europa.eu/doclib/docs/2018/december/tradoc_157584.pdf. Page 28. Accessed on 1 November 2019.

³¹⁹ Ibid.

in the Philippines in February 2017. The aim is for bilateral FTAs with individual ASEAN countries to serve as building blocks towards a future region-to-region agreement.³²⁰

In terms of the Sustainability Impact Assessment (SIA), the EU and the Philippines agreed to conduct survey and consultation with various stakeholders. This is considered a key condition and a significant path towards a full FTA between the two counterparts.³²¹

4.4.8 Singapore Trade Policy

Singapore's economy has performed well so far. In addition, Singapore's government policy has transformed its focus on encouraging an economic restructuring from labor-intensive growth towards innovation and productivity-led growth. An incentive structure has been put in place to encourage skill-enhancing investments in the workforce and labor-saving technologies since 2010. Around the same time, some measures have been employed to reduce the reliance on foreign workers, while improving opportunities for Singaporeans. On top of that, Singapore's openness to trade and investment still remains the key feature of its trade policy. Singapore is considered a developed country, unlike other most Member States of ASEAN, and has been a model of development as it has successfully developed into a high-income country with a GDP per capita of nearly 53,000 US dollars. Furthermore, growth has been based on an open and transparent trade and investment regime by using the country's location as an advantage. In strategizing this, the Government created a Committee on the Future Economy with the

³²⁰ EU-Philippines trade negotiations. Retrieved from <<https://trade.ec.europa.eu/doclib/press/index.cfm?id=1637>>. Accessed on 1 November 2019.

³²¹ The Sustainability Impact Assessment (SIA) in support of free trade agreement (FTA) negotiations between the European Union and the Philippines. Retrieved from <<http://www.eu-philippines-sia.com/>>. Accessed on 2 November 2019.

task of charting a course for Singapore's economic transformation beyond 2016 and helping to select future growth industries.³²²

Relations between Singapore and the EU, in terms of trade, is mutually significant where Singapore is the EU's 14th largest trade partner in goods and the EU's largest trading partner in ASEAN. In addition, the EU has a sizeable positive balance of trade in goods and in services with Singapore. Singapore is also a top destination for European investments in Asia. In 2017, the existing bilateral foreign direct investment stock between the EU and Singapore reached approximately 334 billion euro.³²³

Considering trade in connection with development, in accordance with the EU-Singapore Free Trade Agreement, Chapter 12 Trade and Sustainable Development, Article 12.1 clearly states

*"The Parties recognize that economic development, social development and environmental protection are interdependent and mutually reinforcing components of sustainable development. They underline the benefit of cooperation on trade-related social and environmental issues as part of a global approach to trade and sustainable development. 3. The Parties recognize that it is inappropriate to encourage trade or investment by weakening or reducing the protections afforded by their domestic labor and environment law. At the same time, the Parties stress that environmental and labor standards should not be used for protectionist trade purposes. 4. The Parties recognize that it is their aim to strengthen their trade relations and cooperation in ways that promote sustainable development in the context of paragraphs 1 and 2. In light of the specific circumstances of each Party, it is not their intention to harmonize the labor or environment standards of the Parties."*³²⁴

³²² Trade Policy Review: Singapore. Retrieved from <https://www.wto.org/english/tratop_e/tpr_e/s343_sum_e.pdf>. Accessed on 4 November 2019.

³²³ The EU and Singapore. Retrieved from <<https://ec.europa.eu/trade/policy/countries-and-regions/countries/singapore/>>. Accessed on 6 November 2019.

³²⁴ Legislative Acts and other instruments. Free Trade Agreement between the European Union and the Republic of Singapore. Retrieved from <<http://data.consilium.europa.eu/doc/document/ST-7972-2018-REV-1/en/pdf#page=276>>. Accessed on 6 November 2019.

Although the term 'well-being' has not been mentioned directly, various aspects of well-being are mentioned in the European Union-Singapore Trade and Investment Agreements. These are such as jobs, labor standards, social cohesion, and environment in addition to the aims to enhance the contribution of trade and investment to sustainable development including corporate social responsibility, eco-labelling initiatives, fair and ethical trade, conserving and sustainably managing natural resources, including through sustainable forest management and conservation and management of fish stocks.³²⁵

4.4.9 Thailand Trade Policy

Thailand is classified as an upper middle income country in Southeast Asia. The country's developments in many aspects help position Thailand to be among the most competitive economies in the world while facing improvements in productivity growth, and weaknesses in several areas where reforms are either under way or under consideration.

Thailand economy is open to international trade, and its integration into the world economy continues to be a dominant strategy. This can be seen from its reliability on exports and imports in goods and services. Aside from that, foreign direct investment (FDI) trends reflect the continued importance of Asia as Thailand's main regional market and supplier, though China, the United States, the European Union, and Japan remain its major individual trading and inward FDI partners. In addition, Thailand's intensification of its trade and investment ties with Cambodia, Lao PDR, Myanmar, and Viet Nam and China is becoming more noticeable. It is worth noting that since April 2015, Thailand has provided duty-free quota-free market access for least developed countries (LDCs). Furthermore, Thailand remains a major global producer and exporter of various agricultural products and processed foods and maintains a trade surplus in these areas. Not only has Thailand's services sector continued to grow, but the tourism industry also

³²⁵ European Union-Singapore Trade and Investment Agreements. Retrieved from https://trade.ec.europa.eu/doclib/docs/2019/february/tradoc_157684.pdf. Page 21. Accessed on 6 November 2019.

remains Thailand's main source of foreign exchange. Thailand promotes itself as the medical hub of Asia and it continues to offer fiscal incentives for various tourism-related activities. A major economic challenge confronting Thailand is to formulate appropriate macroeconomic policies and productivity-enhancing structural reforms to address socio-economic factors such as a rapidly aging population, and the reallocation of resources from agriculture to higher value-added sectors, inter alia. This would potentially increase the flexibility of the Thai economy and its ability to respond to external competition, enabling it to continue meeting its economic and welfare objectives.³²⁶

Thailand trade with the EU provides significant figures. For instance, in 2018 the total bilateral trade between the two counterparts amounted to 38 billion euro. This can be explained as The EU is Thailand's third largest trade partner (after China and Japan), accounting for 9.1 percent of the country's total trade. Thailand is also the EU's 25th largest trading partner worldwide. Thailand's exports to the EU were worth 22.9 billion euro in 2018. Key exports from Thailand to the EU are machinery and electronics and transport equipment, miscellaneous manufactured articles, as well as food products while the EU exported goods worth 15.1 billion euro to Thailand in 2018. Key EU exports to Thailand are machinery and transport equipment, chemicals and related products, and manufactured goods. Moreover, Thailand is considered one of the most important destinations of European investments within ASEAN with 21.2 billion euro of outward stocks. Thus far, the EU is the second-largest investor in Thailand after Japan.³²⁷

Negotiations for an EU-Thailand Free Trade Agreement were launched in March 2013 and put on hold in 2014 following the military coup d'état. The negotiations aimed to conclude a comprehensive Free Trade Agreement. However, the EU and Thailand revived the FTA after Thailand held a parliamentary election in March 2019, and following the election of prime minister. A recent progress made by 14th Senior Officials' Meeting between the European Union and Thailand took place in Brussels on 16 October 2019.

³²⁶ Trade Policy Review: Thailand. Retrieved from <https://www.wto.org/english/tratop_e/tpr_e/s326_sum_e.pdf>. Accessed on 6 November 2019.

³²⁷ EU and Thailand. Retrieved from <<https://ec.europa.eu/trade/policy/countries-and-regions/countries/thailand/>>. Accessed on 6 November 2019.

Substantial progress made by Thailand on important matters such as fight against illegal fishing (IUU), labor issues and the prevention of human trafficking were among the key issues.³²⁸

However, the EU highlighted the dialogue on human rights and democratic pluralism with Thailand rather than just discussing about business issues.³²⁹

4.4.10 Vietnam Trade Policy

It is worth mentioning that Political and Economic reforms or 'Doi Moi' have transformed Vietnam from one of the poorest countries in the world to a lower middle-income country, and from a centrally planned economy into a more market-oriented economy through its gradual integration into the global trading and investment system. Therefore, trade and foreign direct investment liberalization have been integral parts of the structural reforms that contributed to improved competitiveness and thus export-led growth. Despite Vietnam's rapid economic development, its international competitiveness faces a pressing threat. To be more specific, one is about labor productivity; the other is the contribution of total factor productivity to the growth of Vietnam's factor-driven economy, which appears to have plunged.

Vietnam's economy is strongly outward oriented, with trade in goods and services accounting for 171.5 percent of GDP. A considerable proportion of Vietnam's foreign trade is increasingly intra-regional (Asia-Pacific); its labor-intensive and low value-added exports are relatively well diversified. The Ministry of Industry and Trade plays a leading role on international trade issues, although many other ministries and agencies also deal with trade-related matters. The National Committee for International Economic Co-operation serves as a coordinating body between the ministries and line agencies. As for non-tariff

³²⁸ Olivier Languépin. EU to revive free trade talks with Thailand. Retrieved from <<https://www.thailand-business-news.com/european-union/76305-eu-to-revive-free-trade-talks-with-thailand.html>>. Accessed on 6 November 2019.

³²⁹ Stuart Lau. Thailand reopens free trade talks with EU to reduce reliance on China. Retrieved from <<https://www.scmp.com/news/china/politics/article/3033468/thailand-reopens-free-trade-talks-eu-reduce-reliance-china>>. Accessed on 6 November 2019.

measures, Vietnam prohibits the importation of goods generally considered harmful to human health and safety, or national security. Vietnam provides subsidies, mainly in the form of tax incentives, for example to encourage research and development; the development of infrastructure of special importance; to assist enterprises involved in education, training, and health care; and the establishment of businesses in geographically disadvantaged areas. The focus of government policy is on increasing productivity and reducing risk exposure through investment in infrastructure, research and development, better extension services, and easier access to credit.³³⁰

Vietnam's Ministry of Industry and Trade (MOIT) developed the Master Plan for Trade Development with a focus on accelerating trade by integration Vietnam in to foreign markets. Its strategy is based on the following key ideas:

- *Accelerating of trade of goods through developing economies and sustainable development of businesses and within regions;*
- *Cultivate discussions and compromises in negotiations with import and export associates to improve market access for Vietnamese commodities,*
- *Taking advantage of economic and trade co-operation programs with China, and other major trading partners such as the United States, the EU, and Japan; and with Association of Southeast Asian Nations (ASEAN) markets, and*
- *Advance diverse ancillary activities, supporting enterprises with information and economic projections; to foster import/export promotional undertakings, and sponsor the functions and responsibilities of corporate affiliations.*³³¹

³³⁰ Trade Policy Review: Viet Nam. Retrieved from <https://www.wto.org/english/tratop_e/tpr_e/s287_sum_e.pdf>. Accessed on 9 November 2019.

³³¹ Clarke, S., Akbari, M., & Maleki, S. (2017). Vietnam's Trade Policy: A Developing Nation Assessment. Informing Science: International Journal of Community Development & Management Studies, 1, 13-37. June 2017. Retrieved from <<http://ijcdms.org/Volume01/v1p013-037Clarke3473.pdf>>. Page 22. Accessed on 9 November 2019.

When considering the EU-Vietnam Trade Agreement, both parties uphold values stemmed from 'Trade for All' document as well as standards and values mentioned in the Trade Agreement, in particular high social and environmental standards, and respect for human rights.³³²

Moreover, the EU-Vietnam agreement offers more benefits and opportunities to increase trade and support jobs and growth for companies on both sides. This will happen through removing tariffs, reducing regulatory barriers and overlapping red tape, ensuring protection of geographical indications, opening up services and public procurement markets, making sure the agreed rules are enforceable.³³³

With regard to the EU-Vietnam Free Trade Agreement, it emphasizes the importance of most ambitious and comprehensive FTA that the EU has ever concluded with a developing country, the second in the ASEAN region after Singapore, and a further building block towards the EU's ultimate objective of an ambitious and comprehensive region-to-region EU-ASEAN FTA. In addition, conditions that are related to the well-being appear in this FTA are such as the "obligations not to derogate from and to effectively enforce domestic labor and environmental laws to attract trade and investment—in other words prohibition of social and environmental dumping and the promotion of Corporate Social Responsibility, including references to international instruments in this regard."³³⁴

³³² EU-Vietnam Trade Agreement. Retrieved from
<https://trade.ec.europa.eu/doclib/docs/2018/october/tradoc_157446.pdf>. Accessed on 9 November 2019.

³³³ EU-Vietnam Trade Agreement. Retrieved from
<https://trade.ec.europa.eu/doclib/docs/2018/october/tradoc_157444.pdf>. Accessed on 10 November 2019.

³³⁴ EU and Vietnam reach agreement on free trade deal. Retrieved from
<http://trade.ec.europa.eu/doclib/docs/2015/august/tradoc_153674.pdf>. Accessed on 10 November 2019.

4.5 ASEAN Charter in relation to Trade Policy

Although ASEAN was founded in 1967, throughout restless efforts and close cooperation of Member States, there was no legally binding and common rule until 2007. ASEAN Charter provides legal status and institutional framework and thus it serves as a firm foundation in achieving ASEAN Community. It also reflects ASEAN's norm, values, clear targets, and presents accountability and compliance.

Moreover, it contains ASEAN's common vision and aspiration as well as collaboration areas where member states can join hands with each other within the region and with external partners. ASEAN Charter entered into force in December 2008.³³⁵

To strengthen ASEAN and to build a closer community, ASEAN launched 'ASEAN Community Vision 2025' Plan. It serves as a blueprint and roadmap for ASEAN member states to follow. As widely known, there are three pillars of ASEAN, which consists of 'ASEAN Political and Security' Community, 'ASEAN Economic Community' and 'ASEAN Socio-Cultural Community'.

Under the second pillar, which is 'ASEAN Economic Community', ASEAN states clearly that ASEAN aims to achieve "a highly integrated and cohesive regional economy that supports sustained high economic growth by increasing trade, investment, and job creation; improving regional capacity to respond to global challenges and mega trends; advancing a single market agenda through enhanced commitments in trade in goods, and through an effective resolution of non-tariff barriers; deeper integration in trade in services; and a more seamless movement of investment, skilled labor, business persons, and capital."³³⁶

³³⁵ ASEAN Charter. Retrieved from <http://www.asean.org/storage/2016/02/The_ASEAN_Charter.pdf>. Accessed on 2 April 2018.

³³⁶ ASEAN Community Vision 2025. Retrieved from <<http://www.asean.org/storage/images/2015/November/aec-page/ASEAN-Community-Vision-2025.pdf>>. Accessed on 3 April 2018.

4.6 Analysis and Connection between Trade policy and well-being

The table below will provide details of analysis in relation to trade policy of the EU, ASEAN and its Member States. By using theories and approaches employed in this thesis, analysis will illustrate how trade policy, whether or not, has a connection with well-being, selected factors of well-being and relevancy to development policy, which will be discussed further in the next chapter.

Theories and Approaches Trade policy	Normative Power Europe	Game theory	Development Policy of the European Union	The World after GDP	Well-being manifesto for a flourishing society
	The EU exports its trade policy to interact and gain economic advantage. 'Transference' norm is the principle that the EU diffuses when trading with ASEAN.	Trade policy of the EU is highly competitive and willing to negotiate with counterparts globally, including ASEAN in many areas. Nonetheless, trading partners must invariably	The EU makes it clear that trade is a means to a better living standard. Sustainable development and Sustainability Impact Assessments (SIMs) are	Three key principles can be applied to explain, which are 'Data revolution: from vertical control to horizontal distribution', 'Local power and collective leadership' and 'From	'Create a well-being economy: employment, meaningful work and environmental taxation principle is the closet principle to explain the EU's

		comply with higher standards and/or conditions that are set or required by the EU.	best evidence of the EU. 'Trade for Development' principle is noted according to this approach.	globalization to regionalization'.	positioning towards well-being.
ASEAN Charter	The EU pursues trade with ASEAN by using bilateral approach, meaning doing trade with ASEAN Member States individually, which will lead to regional approach eventually.	Framework of ASEAN Charter provides general guidelines for Member States so that there is no obligation, no legally-binding mechanism. This presents room for cooperation. On the other hand, it reflects how ASEAN has less power to negotiate as a	'Regional integration and cooperation' principle can be applied in this category.	'From globalization to regionalization' principle can help explain ASEAN Member States cooperation.	ASEAN Charter possesses all three key factors and encourages Member States to fulfill well-being. However, tangible mechanism with regard to trade at ASEAN level has been left to Member States to decide.

		collective power compared to the EU, particularly when dealing with trade and investment issues.			
Brunei Darussalam	The EU and Brunei trade with each other. For instance, both parties build and have maintained relations based on the EU-Brunei Partnership and Cooperation Agreement (PCA).	Trade policy has a perspective of competitiveness and openness to cooperation.	Trade policy has an indication towards development in terms of infrastructure for the country.	-	Trade and investment policy facilitates the development in health sector.
Cambodia	As a least developed country,	With less bargaining power,	According to the Cambodia Trade	Cambodia still has a serious problem with	Trade policy of Cambodia creates

	<p>Cambodia has sought various mechanisms to help gain better benefits from trading with others, including the EU. The EU, in return, has assisted Cambodia to do trade under different scheme such as GSPs.</p>	<p>Cambodia has managed to draw attention from international partners to invest in the country. Economically, Cambodia can gain strength overtime and able to export products to the EU and other countries via trade schemes and preferences.</p>	<p>Integration Strategy 2019-2023 by the Ministry of Commerce, around 80 percent of Cambodia's exports are sold to just 8 partner countries, mostly to the EU and US.</p> <p>'Trade for Development' principle can help explain in this respect.</p>	<p>civil society and people engagement at political level, therefore post-GDP economy and better level of well-being for the general public may need external force like from the EU.</p>	<p>linkages between trade and development by promoting employment and poverty reduction as well as efforts to attain MDGs, which are factors of well-being.</p>
Indonesia	<p>The EU and Indonesia launched trade talks for the Comprehensive Economic Partnership Agreement</p>	<p>Indonesia economic priorities can be understood within the context of various development</p>	<p>One aspect of trade relations between the EU and Indonesia is focused on sustainable development,</p>	-	<p>Indonesia's Master Plan for the Acceleration and Expansion of Economic Development</p>

	(CEPA) in 2016. The agreement also includes a comprehensive chapter aiming to ensure that closer economic relations between the EU and Indonesia go hand in hand with environmental protection and social development.	plans, which aim to increase the competitiveness of Indonesia's businesses and encourage a shift into higher value-added activities.	following FTA negotiation. A Sustainability Impact Assessment (SIA) has been launched in support of FTA negotiations between the EU and Indonesia.		2011-2025 recognizes that higher and sustainable economic expansion, diversified sources of growth, accelerating infrastructure development and closing the development gap between eastern and western regions are of critical necessity.
Lao PDR	The EU works closely with Laos under the framework of the EU-ASEAN	In 2018, trade picture of Laos PDR captured the total trade between the EU	Laos benefits from the EU's "Everything But Arms" scheme, which	One of NESDP 7 mentions that "Ensure sustainability of development	One of NSEDP 7 targets is to "Achieve the Millennium

	Cooperation Agreement to ensure an effective environment for trade and investment relations.	and Laos equaled 408 million euro. In addition, the EU ranked as the fourth biggest trade partner of Laos (after Thailand, China and Vietnam), accounting for 3.8 percent of the country's total trade.	grants unilateral duty free, quota free access for all exports, except arms and ammunition to the EU.	by emphasizing the links and balances between economic development, cultural and social progress, natural resources preservation, and environmental protection. 'Data revolution: from vertical control to horizontal distribution' principle can be applied to explain here.	Development Goals and poverty reduction by 2015, adopt appropriate technology and skills, and create favorable conditions for graduating the country from LDC status by 2020."
Malaysia	Overall trade picture between the EU and	EU imports from Malaysia have gradually increased since	Considering the importance of sustainability,	-	Some suggestions such as 'Human

	<p>Malaysia looks economically reciprocal. Bilateral trade between the two partners valued 39.8 billion euro in 2018.</p>	<p>2006 and accounted for 25.6 billion euro in 2018 while EU exports have experienced a growing trend to reach 14.2 billion euro.</p>	<p>the EU and Malaysia agreed to the implementation of Sustainability Impact Assessment (SIA). As a consequence, SIA was launched in support of FTA negotiations between the two partners.</p>		<p>Capital Development and Labor Policy is of an urgent need to review in addition to the reform of education and skills development policies if Malaysia wishes to remain competitive and attractive to foreign and domestic investors.’, has been expressed.</p>
Myanmar	<p>In 2013, the EU lifted sanctions, opened a full EU Delegation and restored</p>	<p>Myanmar’s trade policy is strongly influenced by its participation</p>	<p>One of Myanmar’s trade policy objectives states that “</p>	<p>One of Myanmar’s trade policy objectives states that “To</p>	<p>Concerning sustainability and a factor of well-being, this is</p>

	trade preferences under the 'Everything But Arms' scheme.	in ASEAN, and ASEAN's free-trade agreements with third countries.	To expand trade through regional and international cooperation." This goes in line with 'Trade for development' and 'Regional integration and cooperation' principles.	implement export promotion and enhance trade by means of advanced ICT." This goes in line with 'Data revolution: from vertical control to horizontal distribution' principle.	emphasized as follows: "the Government has been promoting exports by exploring new export markets ... the economy, as well as construction materials, hygienic materials for people's health ..."
Philippines	Since December 2014, the Philippines enjoy enhanced trade preferences with the EU under the EU's	Both the EU and the Philippines concentrate on the export of services. For instance, in 2015 the EU's export of	At present, the Philippines enjoys the European Union's Generalized Scheme of Preferences Plus (EU	-	In terms of the Sustainability Impact Assessment (SIA), the EU and the Philippines agreed to conduct

	GSP+ scheme.	services was worth around 2 billion euro.... In comparison, the EU imported 2.2 billion euro worth of services from the Philippines... Moreover, the Philippines is one of the top destinations for investments from European businesses.	GSP+). The EU GSP+ is an enhanced tariff scheme that provides preferential access to developing countries to any of the 28 members of EU.		survey and consultation with various stakeholders. This is considered a key condition and a significant path towards a full FTA between the two counterparts. SIA can play a key role in improving well-being.
Singapore	Singapore has an open trade policy in which it encourages trade partners to do trade and investment in the country, including the	Singapore is highly competitive. Trade policy of Singapore reflects how the country would wish to benefit. This is based	EU-Singapore Free Trade Agreement, Chapter 12 Trade and Sustainable Development, Article 12.1 clearly states	-	The Singaporean Government created a Committee on the Future Economy with the task of charting a

	EU. As a result, all principles can be applied to explain the interaction between the two partners.	on Singapore's advantages and strengths. As a consequence, Game theory can help explain the position in which Singapore decides to make a move.	"The Parties recognize that economic development, social development and environmental protection are interdependent and mutually reinforcing components of sustainable development...		course for Singapore's economic transformation beyond 2016 and helping to select future growth industries. This may not address the term 'well-being' directly, but it contributes to a stronger foundation.
Thailand	Thailand has accepted and interacted with the EU and its norms for a long while. Thailand's trade policy is open and thus	Thailand economy is open to international trade, and its integration into the world economy continues to be	Negotiations for an EU-Thailand Free Trade Agreement were launched in March 2013 and put on hold in 2014	-	The EU highlighted the dialogue on human rights and democratic pluralism with Thailand rather than

	<p>it goes in line with the EU's open trade deal.</p>	<p>a dominant strategy.</p> <p>Thailand is considered one of the most important destinations of European investments within ASEAN with 21.2 billion euro of outward stocks. Thus far, the EU is the second-largest investor in Thailand after Japan.</p>	<p>following the military coup d'état...</p> <p>However, the EU and Thailand revived the FTA after Thailand held a parliamentary election in March 2019...</p> <p>'Good governance and the management of public affairs' principle can help explain this.</p>		<p>just discussing about business issues.</p> <p>Thailand's trade and investment policy appear to have some certain level of connection with development plan and policy.</p>
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Vietnam	<p>FTA between the EU and Vietnam is of good evidence in which the EU's norms and values are adopted and practices transboundary.</p>	<p>Vietnam pursues free trade agreement with the EU to gain more interests and benefits from trade agreement.</p>	<p>'Strengthening institutional capacity' and 'Good governance and the management of public affairs' principles can be applied to explain how EU-Vietnam agreement offers more benefits and opportunities to increase trade and support jobs and growth for companies on both sides. This will happen through removing tariffs,</p>	<p>With regard to the EU-Vietnam Free Trade Agreement, it emphasizes the importance of most ambitious and comprehensive FTA that the EU has ever concluded with a developing country, the second in the ASEAN region ... EU's ultimate objective of an ambitious and comprehensive region-to-region EU-ASEAN FTA.</p>	<p>Vietnam prohibits the importation of goods generally considered harmful to human health...</p>
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			reducing regulatory barriers and overlapping red tape, ensuring protection of geographical indications, opening up services and public procurement markets, making sure the agreed rules are enforceable.	'From globalization to regionalization' principle can be used to analyze this.	
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4.7 Other mechanisms to enhance trade and investment policy for the Inter-regional Relations between ASEAN and the EU

Consider Bandar Seri Begawan Plan of Action to strengthen ASEAN-EU enhanced partnership (2013-2017), this plan of action renewed ASEAN and EU commitment to strengthen Dialogue Relations, as affirmed in the Nuremberg Declaration on ASEAN-EU Enhanced Partnership (2007) and its Plan of Action.

In particular, the aim to help bridge the development gap for Cambodia, Laos, Myanmar and Vietnam (CLMV) have been emphasized in the Plan of Action regarding economic cooperation with ASEAN as appears in Article 2.1.11, which reads

*“Continue to contribute towards narrowing the development gap within and between ASEAN Member States through the implementation of IAI Work Plan II for Cambodia-Laos-Myanmar-Viet Nam (CLMV), as well as taking into account existing sub-regional cooperation frameworks...”*³³⁷

Moreover, to focus more on trade and investment policy, under this Plan of Action the EU and ASEAN agree to cooperate and implement activities under the ASEAN-EU Trade and Investment Work Programme which was endorsed by Economic Ministers in May 2011.

This includes 1) high level policy dialogue both at Ministerial and Senior officials' level, 2) enhancing business dialogue, 3) ensuring sectoral dialogues on trade related issues between ASEAN-EU officials and 4) ensuring optimum benefits from EU-funded trade related projects for ASEAN countries.³³⁸

³³⁷ Bandar Seri Begawan Plan of Action to Strengthen the ASEAN-EU Enhanced Partnership (2013-2017). Retrieved from

<http://www.consilium.europa.eu/uedocs/cms_Data/docs/pressdata/EN/foraff/129884.pdf>. Accessed on 4 May 2018.

³³⁸ Ibid.

For ASEAN side, under ASEAN Charter, Article 2, Paragraph 2 (n), which reads “adherence to multilateral trade rules and ASEAN’s rules-based regimes for effective implementation of economic commitments and progressive reduction towards elimination of all barriers to regional economic integration, in a market-driven economy”³³⁹, it reiterates that ASEAN aims to abide by the global or international rule of trade.

Considering factors of well-being like health and education, they fall under Section 3.Socio-Cultural Cooperation-3.1. Enhancing cooperation in education, health, and promoting people-to-people contacts. Some statements of points of collaboration are “3.1.2. Strengthen collaboration between international educational organizations in ASEAN Member States and the EU to enhance the quality of education in many areas such upgrading the standard of teaching, teaching and learning of languages and culture, and use of Information and Communication Technology (ICT) in education; 3.1.3. Explore the possibility for all (EFA) movement in contributing to the Millennium Development Goals (MDGs), 3.1.9. Promote the exchange of experience among ASEAN Member States and the EU on public health policy formulation and management...”³⁴⁰

In terms of public health, the Treaty of Lisbon states that “the wellbeing of Europe’s citizens is at the heart of the Treaty of Lisbon so further developments are made to health policies. The Treaty provides for measures which have as their direct objective the protection of public health, including as regards tobacco and the abuse of alcohol. To step up patient protection, the EU is able to set standards for medical products and devices. Finally, the Treaty helps Member States monitor the early warning of serious cross-border threats, such as avian flu. Should such threats become reality, the Treaty enables EU countries to mobilize all their resources in a coherent and efficient manner...”³⁴¹

³³⁹ ASEAN. ASEAN Charter. Retrieved from <http://www.asean.org/storage/2016/02/The_ASEAN_Charter.pdf>. Accessed on 4 May 2018.

³⁴⁰ Ibid.

³⁴¹ European Commission. Policies for a better life. Retrieved from <http://ec.europa.eu/archives/lisbon_treaty/glance/better_life/index_en.htm>. Accessed on 5 June 2019.

One example for the intensification and complementarity of development policy, which is combined with trade policy, demonstrates in the ‘Sustainability chapter.’ This appears in the FTA between the EU and Vietnam; in particular the agreement focuses on environmental issues and promotes the development of international trade contributing to the objective of sustainable development.³⁴² Therefore, the so-called value-based agenda will be pushed more under trade and development policy of the EU vis-à-vis trading partners.

4.8 Summary

The EU's action through the implementation of trade policy is best coined as “the EU is above all an economic power, and trade provides the foundations of its actorness.”³⁴³ In addition, concerning development policy and the EU's role, the Union has assumed not only the role of aid donor but also joint activities through being development partner, in which the EU's development related work is recognized as “truly global in scope.” As Charlotte et al. put it as “the Union has not only acquired a role as aid donor. The years since the EC was created have seen the evolution of increasingly complex relationships with developing countries in all parts of the world.”³⁴⁴

Some socio-economic constraints in Asia-Pacific and ASEAN economies are still regarded as important tasks to overcome; these are such as levels of development gap and different styles of engagement. For instance, in low income economies where various industries rely on low-wage/unskilled labor may face limited opportunities to benefit from technology dissemination, technology transfer, and skills upgrading whereas in high income economies they usually gain advantage of knowledge-intensive market, job creation and upper hand opportunities. This can be seen from significant development gap and status quo among ASEAN Member States.

³⁴² European Commission. EU and Vietnam FTA, Trade and Sustainable development. Retrieved from <http://trade.ec.europa.eu/doclib/docs/2016/february/tradoc_154229.pdf>. Accessed on 5 June 2019.

³⁴³ Charlotte Bretherton and John Vogler. The European Union as a Global Actor. Second edition. Routledge. 2006. Page 62.

³⁴⁴ Ibid. Page 111.

Therefore, there is a need for different policy and strategies in facilitating and strengthening the adjustment process of engagement by countries from different development levels.

Not only do developing countries and/or developing regions like ASEAN have current factors mentioned and potential trade and investment strategies to consider, but it also needs to look at future trends related to trade and development. 'Trade for All' document can be used as a stepping stone as agenda setting mechanism towards a greater cooperation between the EU and ASEAN. Trade policy and its opportunities as well as alternative approaches are at stake and a better option if least developed and developing countries would like to be in a position of strategic and sustainable progress and thus if they wish to negotiate with developed countries/regions in producing products for a more sustainable progress concerning imports and exports. As a result, setting the aim of well-being for people in countries/economies can solicit more justice and prosperity in addition to inclusive growth and sustainable development.

CHAPTER V

INTER-REGIONAL RELATIONS BETWEEN THE EU AND ASEAN

THROUGH DEVELOPMENT POLICY

“The European Union is strongly committed to implementing the 2030 Agenda. Sustainable development is part of our Union’s identity and it will guide our future. For the first time in human history, our planet is approaching the end of its ability to carry us all. In the next 10 years, we will need to find the way to improve the wellbeing of all people without depleting our natural resources, damaging our environment and spurring climate change.”³⁴⁵

Mr. Karmenu Vella

The EU is globally known as the world giant in providing development assistance, which accounts for 55 percent of the world’s development assistance. This is delivered in two ways: assistance provided on a bilateral basis by individual EU Member States and assistance funded through the European Commission, the executive arm of the EU.

The changing priorities in the EU interests and development agenda and consequences have been more of its own internal integration while pursuing external actions.³⁴⁶ In addition, defining and criteria to assess a state or any region whether or not it is in a developing world category are still problematic.³⁴⁷

³⁴⁵ Speech by EU Commissioner Karmenu Vella at the UN HLPF for Sustainable Development. Retrieved from <https://ec.europa.eu/commission/commissioners/2014-2019/vella/announcements/speech-commissioner-vella-un-hlpf-sustainable-development-side-event-hosted-european-union-and_en>. Accessed on 20 October 2019.

³⁴⁶ Martin Holland and Mathew Doidge. Development Policy of the European Union. Palgrave Macmillan. 2012. Page 27.

³⁴⁷ Ibid. Page 37.

In other words, it could be ideology, poverty, geography, economic performance, aid, collaboration. However, for the current EU practice, “the development world is defined as those states covered by the European Union’s key development funding instruments-the European Development Fund (EDF) and the Financing Instrument for Development Cooperation (DCI).”³⁴⁸

Policy-making and Decision-making process of the EU Development policy is commonly known as ‘Ordinary Legislative procedure’ or ‘Community method’. The core elements of the EU development policy are incorporated in the Treaty on the Functioning of the European Union (TFEU), Title III, which deals with ‘Cooperation with Third Countries and Humanitarian Aid.’³⁴⁹ Under this procedure, the EU Commission proposes and implements, while the EU Council and EU Parliament make decisions jointly.³⁵⁰

Take the relationship between the EU and Thailand for instance, in the early days the European Commission was involved in funding mainly rural development and poverty alleviation type of activities. Crop diversification efforts were a priority. Over the years, the nature of the cooperation changed in step with the dynamic process of development Thailand underwent. Nowadays, the EU-Thailand relationship is one of equals with trade and economic matters to the fore. Both players also work closely together on the larger stage and recognize the leading role Thailand plays in regional fora such as ASEAN.

5.1 The EU Development Policy

³⁴⁸ Ibid. Page 43.

³⁴⁹ Ibid. Page 96.

³⁵⁰ Ibid. Page 97.

In line with the UN 2030 Agenda for Sustainable Development, the EU promotes trade and development policy to help LDCs and developing countries across the world. With the world's leading donor of development aid status, the EU provides over 50% of all global development aid.³⁵¹

Treaty of Lisbon was signed in December 2007 and entered into force on 1 December 2009. With the spirit of Lisbon treaty, it gave more rights for the EU to external actions in connection with its status quo of being the world's biggest trader and biggest provider of aid to developing countries. As a result, the EU can exercise external policies like trade and development with the world more effectively and consistently.

The EU's principles and values in which the Treaty of Lisbon provides a higher profile are "democracy, the rule of law, human rights and fundamental freedoms, respect for human dignity, and the principles of equality and solidarity. It introduces for the first time a specific legal basis for humanitarian aid and the possibility of creating a European Voluntary Humanitarian Aid Corps."³⁵²

The importance of well-being is inherited in the Article 2 of the Treaty of Lisbon, which reads:

1. *The Union's aim is to promote peace, its values and the well-being of its peoples.*

In relation to trade and development policy, the Treaty of Lisbon also states as follows:

3. *The Union shall establish an internal market. It shall work for the sustainable development of Europe based on balanced economic growth and price stability, a highly competitive social market economy, aiming at full employment and social progress, and a high level of protection and improvement of the quality of the environment. It shall promote scientific and technological advance. It shall combat social exclusion and discrimination, and shall promote social justice and protection,*

³⁵¹ European Commission. The EU's Development Policy. Retrieved from https://ec.europa.eu/europeaid/policies/european-development-policy_en. Accessed on 2 April 2018.

³⁵² European Commission. The EU in the world. Retrieved from http://ec.europa.eu/archives/lisbon_treaty/glance/external_relations/index_en.htm. Accessed on 2 April 2018.

*equality between women and men, solidarity between generations and protection of the rights of the child.*³⁵³

It is clear that well-being is one of the top priorities of the EU's agenda. In terms of inter-regional relations, the Treaty of Lisbon, Article 2, paragraph 5 enacts as "In its relations with the wider world, the Union shall uphold and promote its values and interests and contribute to the protection of its citizens. It shall contribute to peace, security, the sustainable development of the Earth, solidarity and mutual respect among peoples, free and fair trade, eradication of poverty and the protection of human rights, in particular the rights of the child, as well as to the strict observance and the development of international law, including respect for the principles of the United Nations Charter."³⁵⁴

What kind of legitimacy and power can the EU resort when interacting with external partners? A clear guiding principle in the Treaty of Lisbon states clearly in Chapter 1: General Provisions on the Union's External Action, from Article 10A and in different paragraphs as shown below:

Article 10 A

1. The Union's action on the international scene shall be guided by the principles which have inspired its own creation, development and enlargement, and which it seeks to advance in the wider world: democracy, the rule of law, the universality and indivisibility of human rights and fundamental freedoms, respect for human dignity, the principles of equality and solidarity, and respect for the principles of the United Nations Charter and international law.

The Union shall seek to develop relations and build partnerships with third countries, and international, regional or global organizations which share the principles referred to in the first subparagraph. It shall promote multilateral solutions to common problems, in particular in the framework of the United Nations.

2. The Union shall define and pursue common policies and actions, and shall work for a high degree of cooperation in all fields of international relations, in order to:

³⁵³ EU. Treaty of Lisbon. Retrieved from <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.C_.2007.306.01.0001.01.ENG&toc=OJ:C:2007:306:TOC>. Accessed on 4 May 2018.

³⁵⁴ Ibid.

- (a) *safeguard its values, fundamental interests, security, independence and integrity;*
- (b) *consolidate and support democracy, the rule of law, human rights and the principles of international law;*
- (c) *preserve peace, prevent conflicts and strengthen international security, in accordance with the purposes and principles of the United Nations Charter, with the principles of the Helsinki Final Act and with the aims of the Charter of Paris, including those relating to external borders;*
- (d) *foster the sustainable economic, social and environmental development of developing countries, with the primary aim of eradicating poverty;*
- (e) *encourage the integration of all countries into the world economy, including through the progressive abolition of restrictions on international trade;*
- (f) *help develop international measures to preserve and improve the quality of the environment and the sustainable management of global natural resources, in order to ensure sustainable development;*
- (g) *assist populations, countries and regions confronting natural or man-made disasters; and*
- (h) *promote an international system based on stronger multilateral cooperation and good global governance.*³⁵⁵

It is worth looking at perspective within the EU upon social development. An annual review entitled 'Employment and Social Developments in Europe' (ESDE) 2015, which reflects the latest employment and social trends, provides challenges and policy responses. Although the review reveals positive employment and social developments, enormous disparities still exist between Member States in relation to indicators like economic growth, employment, social and labor market indicators.

³⁵⁵ Ibid.

According to the Commissioner for Employment, Social Affairs, Skills and Labor Mobility, Marianne Thyssen, "...we need to invest in people to achieve growth and job."³⁵⁶ This indicates the EU has been struggling with disparities at home as well.

Interestingly, the 2015 ESDE report reveals that some groups, including young people, old people, women, and ethnic minorities, may face stronger barriers to start their own businesses; however it highlights the potential of self-employment and entrepreneurship to create more jobs. Solutions offered in the review suggest that there must be targeted policies such as 'easier access to financing or fiscal incentives', 'entrepreneurship education' or 'access to child and elderly care'.³⁵⁷ Also, there are more solutions such as mobility of workers to address high rate of unemployment among younger generation, the improvement of market efficiency in the EU as well as following the New Skills Agenda initiative prepared by the European Commission to help tackle challenges. The aim of this Agenda is to 'promote skills development, including the mutual recognition of qualifications, supporting vocational training and higher education and reaping the full potential of digital jobs'.³⁵⁸

Reflecting on what just mentioned and considering the assistance given to ASEAN, the EU has key fora to deliver development agenda such as ASEAN–EU, Asia-Europe Meeting (ASEM), ASEAN Regional Forum (ARF), among others. In general, the EU's engagement in development sphere carries various main goals, some of them are;

- *Promoting sustainable policies to meet global challenges related to security such as climate change, energy security, cyber and space security, environmental protection, eradication of*

³⁵⁶ European Commission. 2015 Employment and Social Developments review: Investing in people is key to economic growth. Retrieved from <http://europa.eu/rapid/press-release_IP-16-93_en.htm>. Accessed on 23 May 2018.

³⁵⁷ Ibid.

³⁵⁸ European Commission. Commission Work Programme 2016. Retrieved from <http://ec.europa.eu/atwork/pdf/cwp_2016_annex_i_en.pdf>. Accessed on 23 May 2018.

- poverty, addressing economic imbalances, disaster and pandemic prevention as well as gender issues.*
- *Protecting the economic and trade interests of the EU and its Member States. Free Trade Agreements (FTA) and Partnership Agreements serve this purpose not least in view of competing regional processes e.g. the Trans-Pacific Partnership (TPP) and Regional Comprehensive Economic Partnership (RCEP) reflecting competition between the US and China.*³⁵⁹

The EU's Horizon 2020, which is the EU flagship program for research and development (R&D) in Science, Technology and Innovation (STI), plays a major role and contributing force for the EU and ASEAN joint cooperation. With an overall budget of 80 billion euro (2014-2020), the program aims at "boosting knowledge-driven economies through research and innovation and promises new breakthroughs, discoveries and world-firsts by taking great ideas 'from the lab to the market'. Priorities for funding include sciences, industrial leadership and global challenges. New initiatives like Gateway to South East Asia and the Executive Training Program will facilitate exchanges and knowledge transfer."³⁶⁰

Take one example from an initiative, even though it was founded 20 years ago, like Gateway to South East Asia, a dedicated website <https://www.eu-gateway.eu/> was created.

The mission of EU Gateway is to act as an entry ticket to high potential markets but it is very difficult to enter for EU companies. Such constraints may be from differences in business culture or conditions or any other requirements.³⁶¹

This could count as a business approach, with a focus on SMEs, and may work as a tool for development opportunity. This initiative can also play a vital role for ASEAN and the EU since mutual benefits occurred

³⁵⁹ European Commission. EU-Asia Factsheet. Retrieved from http://eeas.europa.eu/factsheets/docs/20140714_factsheet_eu-asia_en.pdf>. Accessed on 5 June 2018.

³⁶⁰ Ibid.

³⁶¹ EU Gateway / Business Avenues in South East Asia. Retrieved from <http://www.clustercollaboration.eu/eu-initiatives/eu-support-services-business-centers-3rd-countries/eu-gateway-business-avenues-south>>_. Accessed on 5 June 2018.

can enhance cooperation at people-people level. Aspects of services provided by The EU Gateway allows participating companies to

- *Sound out business opportunities in promising markets*
- *Identify potential business partners*
- *Raise the visibility of their brand with an official European Union mission*
- *Learn about current and future trends*
- *Receive immediate feedback on products and technologies*
- *Minimize the costs typically required to enter a new market*
- *Make new contacts and strengthen your network*
- *Discuss challenges and opportunities with other industry players*
- *Benefit from professional coaching and follow-up at all stages*
- *Receive logistical and financial support*³⁶²

Moreover, the EU strongly encourages researchers from Asian countries in the seventh Framework Program (EU FP7). Financial support like scholarship schemes and exchanges between universities will also continue.³⁶³

What other areas can one find the EU's effort aiming to deliver development at international level? The EU-Asia security matters and relations can be one area of development in which the EU has been promoting to meet global challenges like humanitarian assistance, sustainable policies dealing with climate change, energy security, cyber space, environmental protection, poverty, economic imbalances and pandemics.³⁶⁴ The EU's budget commitment for development cooperation in Asia in 2012 was worth around 749 million euro, while the indicative geographical amount for the region for the period of 2007-13 was approximately 5,187 million euro.³⁶⁵

³⁶² Ibid.

³⁶³ EU-Asia Security. Retrieved from <http://eeas.europa.eu/asia/docs/eu_in_asia_factsheet_en.pdf>. Accessed on 8 June 2018.

³⁶⁴ Ibid.

³⁶⁵ Ibid.

The Development Cooperation Instrument (DCI) is managed under the EU Commission's Directorate-General for International Cooperation and Development (DG-DEVCO), which is responsible for designing European international cooperation and development policy and delivering aid throughout the world.³⁶⁶ The new DCI provides the legal basis for the implementation of geographic and thematic programs and the new cycle of budget covers 2014-2020 period addressing external cooperation and external aid.³⁶⁷

5.2 ASEAN Charter in relation to Development Policy

ASEAN realizes the growth of trade and investment alone cannot guarantee the prosperity of its people in the long term. Development perspective and external relations are mentioned. Some key missions are provided below:

10.4. A resilient, inclusive, people-oriented and people-centered community that engenders equitable development and inclusive growth; a community with enhanced micro, small and medium enterprise development policies and cooperation to narrow the development gaps; and a community with effective business and stakeholder engagement, sub regional development cooperation and projects, and greater economic opportunities that support poverty eradication; and

*10.5. A global ASEAN that fosters a more systematic and coherent approach towards its external economic relations; a central and foremost facilitator and driver of regional economic integration in East Asia; and a united ASEAN with an enhanced role and voice in global economic fora in addressing international economic issues.*³⁶⁸

³⁶⁶ European Commission. International Cooperation and Development (DG-DEVCO). Retrieved from <https://ec.europa.eu/europeaid/about-development-and-cooperation-europeaid_en>. Accessed on 13 July 2018.

³⁶⁷ European Commission. Funding instruments. Retrieved from <https://ec.europa.eu/europeaid/funding/funding-instruments-programming/funding-instruments_en>. Accessed on 13 July 2018.

³⁶⁸ ASEAN Community Vision 2025. Retrieved from <<http://www.asean.org/storage/images/2015/November/aec-page/ASEAN-Community-Vision-2025.pdf>>. Accessed on 5 November 2019.

Key terms mentioned in the ASEAN Vision 2025 such as “quality of life”, “narrowing development gap”, “sustainable development”, “people-centered ASEAN Community”, among others are greatly important and interconnected. They also go in line with the EU’s trade and development policy in relation to the Treaty of Lisbon.

As we have witnessed the ageing society and the rise of middle class around the world, ASEAN citizens are facing the same phenomena. As a result, either trade or development policy can affect quality of life and reflect the progress at regional level.

Country	2005	2006	2007	2008	2009	2010	2011	2012
Brunei Darussalam	48,998	51,803	52,816	52,262	51,116	52,208	54,357	55,405
Cambodia	1,450	1,632	1,809	2,114	2,030	2,157	2,308	2,516
Indonesia	3,199	3,447	3,716	3,986	4,174	4,354	4,664	4,971
Lao PDR	1,815	1,755	2,052	2,213	2,350	2,522	2,648	2,904
Malaysia	12,035	12,925	13,814	14,523	14,165	14,813	16,028	16,976
Myanmar	788	894	1,055	942	1,099	1,195	1,406	1,490
Philippines	3,061	3,260	3,550	3,661	3,664	3,920	4,069	4,339
Singapore	45,369	49,120	52,735	52,329	50,812	58,063	61,068	61,461
Thailand	6,839	7,365	7,905	8,227	8,053	8,742	8,902	9,609
Viet Nam	2,163	2,391	2,630	2,859	3,108	3,289	3,442	3,706
ASEAN	3,917	4,230	4,581	4,822	4,901	5,221	5,520	5,869
ASEAN5	4,785	5,154	5,561	5,845	5,887	6,264	6,606	7,010
BCLMV	1,711	1,885	2,093	2,202	2,382	2,530	2,708	2,906

Table 5.1: ASEAN’s GDP per capita (PPP\$), 2005-2012

Source: ASEAN. ASEAN GDP Growth, backed by Services. 2013.

From Figure 5.1, the statistics illustrate a big gap of development within ASEAN itself. If using purchasing power parity (PPP) as a measure, only Brunei and Singapore are in a much better-off position than the rest. However, according to the World Bank criteria, ASEAN member states are classified into three income groups. Singapore, Brunei Darussalam and Malaysia belong to the high-income level whereas Thailand, Indonesia, and the Philippines are in the upper middle income level while Cambodia, Lao PDR, Myanmar and Viet Nam or CLMV countries are in the lower middle income group. This indicates how economic performance and development gaps are interdependent factors.

In terms of well-being, there are goals that demonstrate how ASEAN is moving towards people-centered and caring community, thus it aims at playing a proactive role in weaving cooperation with partners across the globe. Under Article 1 of the ASEAN Charter, key aims that carry meanings in reflection of well-being. These are as follows:

6. To alleviate poverty and narrow the development gap within ASEAN through mutual assistance and cooperation;

7. To strengthen democracy, enhance, good governance and the rule of law, and to promote and protect human rights and fundamental freedoms, with due regard to the rights and responsibilities of the Member States of ASEAN;

9. To promote sustainable development so as to ensure the protection of the region's environment, the sustainability of its natural resources, the preservation of its cultural heritage and the high quality of life of its peoples;

10. To develop human resources through closer cooperation in education and life-long learning, and in science and technology, for the empowerment of the peoples of ASEAN and for the strengthening of the ASEAN Community;

11. To enhance the well-being and livelihood of the peoples of ASEAN by providing them with equitable access to opportunities for human development, social welfare and justice;

13. To promote a people-oriented ASEAN in which all sectors of society are encouraged to participate in, and benefit from, the process of ASEAN integration and community building;

*15. To maintain the centrality and proactive role of ASEAN as the primary driving force in its relations and cooperation with its external partners in a regional architecture that is open, transparent and inclusive.*³⁶⁹

³⁶⁹ ASEAN Charter. Retrieved from <http://www.asean.org/storage/2016/02/The_ASEAN_Charter.pdf>. Accessed on 10 May 2018.

Regarding the well-being of ASEAN citizens, the Plan spells out under pillar three—that is ‘ASEAN Socio-Cultural Community’, which are as follows:

12.1. A committed, participative and socially-responsible community through an accountable and inclusive mechanism for the benefit of our peoples, upheld by the principles of good governance;

12.2. An inclusive community that promotes high quality of life, equitable access to opportunities for all and promotes and protects human rights of women, children, youth, the elderly/older persons, persons with disabilities, migrant workers, and vulnerable and marginalized groups;

12.3. A sustainable community that promotes social development and environmental protection through effective mechanisms to meet the current and future needs of our peoples; and

12.4. A resilient community with enhanced capacity and capability to adapt and respond to social and economic vulnerabilities, disasters, climate change as well as emerging threats and challenges.³⁷⁰

The above mentioned expectations also correspond to the ASEAN Vision 2025 three key principles (out of six key principles), these are as follows:

4. We resolve to consolidate our Community, building upon and deepening the integration process to realize a rules-based, people-oriented, people-centered ASEAN Community, where our peoples enjoy human rights and fundamental freedoms, higher quality of life and the benefits of community building, reinforcing our sense of togetherness and common identity, guided by the purposes and principles of the ASEAN Charter.

³⁷⁰ Ibid.

5. We envision a peaceful, stable and resilient Community with enhanced capacity to respond effectively to challenges, and ASEAN as an outward-looking region within a global community of nations, while maintaining ASEAN centrality. We also envision vibrant, sustainable and highly integrated economies, enhanced ASEAN Connectivity as well as strengthened efforts in narrowing the development gap, including through the IAI. We further envision ASEAN empowered with capabilities, to seize opportunities and address challenges in the coming decade.

*6. We underline the complementarity of the United Nations 2030 Agenda for Sustainable Development with ASEAN community building efforts to uplift the standards of living of our peoples.*³⁷¹

The following sub-section will present each ASEAN Member States' development policy in relation to key factors of well-being and the EU.

5.2.1 Brunei Darussalam Development Policy

Brunei recently released its new development policy and strategic plan under the Ministry of Development Policy Framework 2018-2023. There are nine priority areas, which are selected to implement. These are land use, housing, roads, water, drainage, sanitation, environment, construction industry and infrastructure financing. Brunei believes that these fall under the national infrastructure development and thus it plays a critical role in enriching many aspects of quality of life, supporting economic activities and ensuring sustainable development.³⁷²

³⁷¹ ASEAN Community Vision 2025. Retrieved from <<http://www.asean.org/storage/images/2015/November/aec-page/ASEAN-Community-Vision-2025.pdf>>. Accessed on 9 June 2018.

³⁷² Brunei. Ministry of Development Policy Framework 2018-2023. Retrieved from

<<http://mod.gov.bn/Shared%20Documents/POLICY%20FRAMEWORK%20BOOK%2009062018.pdf>>. Accessed on 7 November 2019.

For instance, in terms of education, Brunei considers education as a process in strengthening human capital. In March 2018, the Ministry of Education released its strategic plan for 2018-2022, aiming to deliver a “holistic education strategy to achieve the fullest potential for all”. The Ministry’s objectives are to strengthen the development of human capital while using education to help create an effective network environment. The vision is to provide equal access to education, to improve its quality, and to support lifelong learners who, through study and training, could become more efficient, productive and competitive, and thus help to improve the economy overall. Three key areas are of the focus; these are leadership and governance, system-wide support, and teaching and learning. Through this means, the Ministry expects to deliver a more performance-driven system and to implement its strategic plan, aiming to provide high quality teaching and better learning achievements.³⁷³

Brunei and the EU may have no direct relations in terms of development, not in a traditional sense, since the country is a developed country. The EU effort of development could be seen from political and democracy as well as human rights dimension in which the EU tries to use its bilateral meetings with Brunei’s authorities to raise human rights issues and has regularly urged Brunei to accede to further core UN human rights conventions. So far, there is no dialogue on human rights with Brunei but human rights concerns are regularly raised by the local EU representation such as the issue of Brunei’s sharia law and its compliance with international human rights obligations. Although bilateral relations between the two parties exist, negotiations based on Partnership and Cooperation Agreement (PCA) have been paused following the adoption of the Sharia Penal Code in relation to the EU bilateral political engagement.³⁷⁴ This reflects how development can be discussed in many respects; however the EU and Brunei has not focused much on this area of cooperation.

³⁷³ OECD. Structural policy country: Brunei Darussalam. Retrieved from http://www.oecd.org/dev/asia-pacific/saeo-2019-Brunei_Darussalam.pdf>. Accessed on 7 November 2019.

³⁷⁴ Country Updates on Human Rights and Democracy 2018: Brunei Darussalam. Retrieved from <https://eeas.europa.eu/sites/eeas/files/brunei_country_updates_2018.pdf>. Accessed on 16 November 2019.

5.2.3 Cambodia Development Policy

At national level, “Rectangular Strategy” is the main driving force for Cambodia’s national development. The Rectangular Strategy consists of Growth, Employment, Equity and Efficiency, which started in 1998, and has continued up to the present in four phases, each of which parallels with the term of office of the Legislature of the National Assembly or five years. The most recent Phase 4 of the strategy was adopted in 2018 and will end in 2022.

To elaborate, the Rectangular Strategy is set out to guide implementation of the agenda of the Royal Government. The Rectangular Strategy selects key elements from the MDGs, the Cambodia Socio-Economic Development Program 2001-2005 (SEDP2), the Cambodia National Poverty Reduction Strategy 2003-2005 (NPRS), and the various policies, strategies, plans, and other important reform programs, all of which have been formulated through broad consultation with all national and international stakeholders, including government ministries and institutions, representatives of civil society, and the donor community. The resulting comprehensive agenda is ultimately aimed at improving and building the capacity of the public institutions, strengthening good governance, and modernizing the national economic infrastructure, with the objective of promoting economic growth, generating employment for all citizens, ensuring social equity, enhancing the efficiency of the public sector, and protecting the nation’s natural resources and cultural heritage; this is crucial for promoting sustainable development and poverty reduction.³⁷⁵

With regard to the EU and Cambodia cooperation, the EU has been a major development partner of Cambodia since the early 1990s. EU-funded initiatives in sectors ranging from education and agriculture to public financial management and trade related assistance have benefited millions of Cambodians. The

³⁷⁵ Chap Sotharith and Chhorn Sothea. Cambodia’s Development Strategy: Connecting Neighbors. BRC Research Report, Bangkok Research Center, JETRO Bangkok/IDE-JETRO, 2019. Retrieved from https://www.ide.go.jp/library/English/Publish/Download/Brc/pdf/24_07.pdf>. Page 138-140. Accessed on 16 November 2019.

EU support is designed to support the Royal Government of Cambodia's policies, as reflected in the Government's Medium Term Development Plans. The European Union's development assistance to Cambodia currently totals 410 million euros in bilateral cooperation for 2014-2020 and 21 million euros in thematic budget lines for 2014-2017, approximately 457.3 and 23.4 million US dollars respectively. These funds allow the EU to concentrate its support on priority sectors in Cambodia that have significant impact on the country's development. Three main areas of focus are Agriculture and Natural Resource Management, Education and Skills development, and Governance and Administration.³⁷⁶

On top of this, Cambodia has received assistance from the EU under a support scheme "SOCIEUX+", which is a technical assistance facility set up by the European Commission to support partner countries and institutions better design and manage inclusive, effective, and sustainable employment policies and social protection systems. SOCIEUX+ offers expert assistance on social protection, labor and employment, fostering peer-to-peer exchanges between EU Member States and partner countries for the design and creation of fair social and employment systems.³⁷⁷

Interestingly, the Comprehensive Cambodian Peace Agreement, commonly referred to as the Paris Agreement, is seen as the beginning of foreign aid to Cambodia. This agreement marked the beginning of normalized international relations between Cambodia and the rest of the world. Cambodia's largest bilateral donors are Japan and the United States.

Foreign aid to Cambodia comes in different forms, multi-laterally, bilaterally and through non-governmental organizational. Cambodia relies heavily on foreign assistance, this is considered between 30 and 40 percent of the central government's budget depends on foreign aid. Overall, Cambodia's

³⁷⁶ EU's International Cooperation and Development: Cambodia. Retrieved from <https://ec.europa.eu/europeaid/countries/cambodia_en>. Accessed on 16 November 2019.

³⁷⁷ EU's International Cooperation and Development. SOCIEUX+ is increasing social protection and employment worldwide. Retrieved from <https://ec.europa.eu/europeaid/news-and-events/socieux-increasing-social-protection-and-employment-worldwide_en>. Accessed on 16 November 2019.

development policy works towards achieving measurable goals and targets for combating extreme poverty, hunger, diseases, illiteracy, environmental degradation and discrimination against women and in the case of Cambodia has added mine clearance, following MDGs and SDGs via aid funded projects and programs in Cambodia.³⁷⁸

5.2.3 Indonesia Development Policy

Indonesia's Ministry of National Development Planning or National Development Planning Agency is responsible for planning development policy. To date, Indonesia has implemented their development according to the 'Long-term National Development Plan 2005-2025.' In fact, Indonesia previously had the National Medium-term Development Plan 2004-2009, which mentioned about well-being, quality of life, education and other factors. Furthermore, the Long-term National Development Plan 2005-2025 mentioned clearly that "the low quality of human resources of Indonesia, as measured by the human development index (HDI), has resulted in the low productivity and competitiveness of the national economy. The development of health and education has an important role in enhancing the quality of human resources..."³⁷⁹

With regard to economic development, the Long-term National Development Plan 2005-2025 aims at creating a resilient economy and increase the well-being of the entire Indonesian people. Therefore, two

³⁷⁸ Cambodia's Development policies and administration. Retrieved from

<<https://opendevelopmentcambodia.net/topics/development-policies-and-administration/>>. Accessed on 16 November 2019.

³⁷⁹ Indonesia's Long-term National Development Plan 2005-2025. Retrieved from

<https://www.bappenas.go.id/files/6715/3173/4665/RPJPN_2005-2025.pdf>. Accessed on 16 November 2019.

decades ahead the big challenge for Indonesia's economic progress is the need to have a relatively high and quality and sustainable economic growth for realizing the substantive increase in the welfare of the people and to enhance the ability to catch-up with other more advanced nations.

Furthermore, Indonesia sets its goal to experience an economic growth that is of increasing quality and sustainability can be attained so that income per capita by 2025 can reach the standard of living that is equivalent to that in middle income nations with the continued reduction in the open unemployment and poverty rates.³⁸⁰ In this connection, Indonesia developed a strategic plan to incorporate development policy with clearer strategic directions. There are seven development missions, which have been determined, namely:

1. To realize national security that is able to preserve the territorial sovereignty, support economic self-reliance by safeguarding the maritime resources, and reflects the identity of Indonesia as an archipelagic nation;

2. To realize a society that is advanced, balanced, democratic and based on the rule of law;

3. To realize a foreign policy that is free and active and that strengthens Indonesia's identity as a maritime nation;

4. To realize a quality of human life that is advanced and prosperous.

5. To realize a competitive capacity of the nation;

6. To realize an Indonesia becoming a maritime nation that is self-reliant, advanced, strong, and is based on the national interest; and

*7. To realize a society that has a solid identity and culture.*³⁸¹

³⁸⁰ Ibid.

³⁸¹ Indonesia's Strategic Plan of the Ministry of National Development Planning/National Development Planning

Agency Of 2015-2019. Retrieved from <[https://www.bappenas.go.id/files/renstra-](https://www.bappenas.go.id/files/renstra-bappenas/RENSTRA_Bahasa%20Inggris-V2.pdf)

[bappenas/RENSTRA_Bahasa%20Inggris-V2.pdf](https://www.bappenas.go.id/files/renstra-bappenas/RENSTRA_Bahasa%20Inggris-V2.pdf)>. Page 34. Accessed on 16 November 2019.

Considering these development missions, mission 4 states clearly that Indonesia will work towards improving the “quality of human life that is advanced and prosperous.” In this regard, external assistance such as help and supports from the EU plays a critical role in Indonesia. The EU has spent more than 500 million euro development assistance in Indonesia in the last ten years, in particular to promote basic education for all and good governance, dealing with public finance management and justice, and to support efforts against climate change and deforestation and trade. EU cooperation is subsequently designed to support Indonesia’s policies in accordance with the Medium-Term Development Plans. Indonesia has now graduated out of bilateral EU development assistance in the current programming period 2014-2020, but most programmes under the 2007–2013 financial framework where 356 million euro was allocated, are still under implementation, some of them running until 2019.

Indonesia continues to be eligible for EU Thematic and Regional Cooperation programmes; the later growing steadily in particular the EU-ASEAN cooperation’s allocation which has almost tripled between 2007-2013 and 2014-2020. These regional and regional thematic instruments allow the EU to concentrate its support to Indonesia’s own priority sectors such as Higher Education, European Higher Education Fair, Erasmus+ scholarships and projects and Continued Aid for Trade support, which dedicated Indonesia component under the regional Multi Annual indicative programme by 2017, among others.³⁸²

To elaborate, the EU Delegation to Brunei and Indonesia recently held a higher education fair in Indonesia. This event was the European Higher Education Fair (EHEF) 2019, marking the 11th year of EU presence in Indonesia. EHEF 2019 showcased 116 higher education institutions from 14 EU Member States. This confirms EHEF as the biggest European study fair in the world. The annual event attracts the participation of more than 100 higher education institutions and more than 18,000 visitors. So far, there are approximately 200 Indonesian students and scholars depart for Europe with the support of the Erasmus+ Scholarship annually. Additionally, scholarships offered by EU Member States, there are as

³⁸² EU-Indonesia. International Cooperation and Development. Retrieved from <https://ec.europa.eu/europeaid/countries/indonesia_en>. Accessed on 16 November 2019.

many as 1,600 Indonesian students and scholars set off every year to various European countries to continue their education.³⁸³

The EU presence and its behavior in exporting norms via education strategy are in line with well-being. To date, the EU has provided supports for 400 students under the EU-financed scholarships within ASEAN's student exchange programme in accordance with the EU Global Strategy.³⁸⁴

5.2.4 Lao PDR Development Policy

Lao's Ministry of Planning and Investment is responsible for formulating development plan and policy. The most recent plan is 'The 8th Five-Year National Socio-economic Development Plan (2016–2020) or the so-called "8th NSEDP"'.

Previously, Lao PDR implemented the 7th NSEDP (2011–2015), which aimed to achieve sustainable economic growth and poverty reduction, while gradually transforming Lao PDR into a more open, strengthening the private sector productivity capacity and prioritizing the achievement of MDGs by 2015.³⁸⁵

³⁸³ European Union External Action. More than a hundred European higher education institutions to participate in EHEF 2019 Indonesia. Retrieved from <https://eeas.europa.eu/diplomatic-network/brunei-darussalam/68991/more-hundred-european-higher-education-institutions-participate-ehef-2019-indonesia_en>. Accessed on 13 November 2019.

³⁸⁴ The European Union's Global Strategy: Three Years on, Looking Forward. Retrieved from <https://eeas.europa.eu/sites/eeas/files/eu_global_strategy_2019.pdf>. Page 48. Accessed on 13 November 2019.

³⁸⁵ Lao PDR's the 8th Five-Year National Socio-economic Development Plan (2016–2020). Retrieved from <http://www.la.one.un.org/images/publications/8th_NSEDP_2016-2020.pdf>. Page 2. Accessed on 17 November 2019.

The overall objective, outcomes and outputs of the 8th NSEDP are “to ensure political stability, peace and order in the society; the poverty of the people is reduced significantly in all areas; the country is developed out of LDC status by 2020 through continuous, inclusive and sustainable growth; there is effective management and efficient utilization of natural resources; development is enhanced through the national potential and advantages; Lao PDR participates in regional and international integration with ownership.”³⁸⁶ In addition, the 8th NSEDP Outcomes have been identified as follows:

- *Outcome 1: Sustained, inclusive economic growth with economic vulnerability (EVI) reduced to levels required for growth support.*
- *Outcome 2: Human resources are developed and the capacities of the public and private sectors is upgraded; poverty in all ethnic groups is reduced, all ethnic groups and both genders have access to quality education and health services; the unique culture of the nation is protected and consolidated; political stability, social peace and order, justice and transparency are maintained.*
- *Outcome 3: Natural resources and the environment are effectively protected and utilized according to green-growth and sustainable principles; there is readiness to cope with natural disasters and the effects of climate change and for reconstruction following natural disasters.*³⁸⁷

On top of this, Lao PDR released its ‘Ten-year Socio-economic Development Strategy (2016–2025).’ The ten-year strategy takes account of the strategy to graduate from LDC status by 2020 and the strategy for the transition period of LDC graduation by 2025, The Strategy consists of seven strategies as follows:

- i. Strategy on quality, inclusive, stable, sustainable and green economic growth,*
- ii. Strategy on LDC graduation by 2020 and progress on the SDGs,*

³⁸⁶ Ibid. Page 87.

³⁸⁷ Ibid. Page 89.

iii. Strategy on human development,

iv. Strategy on sustainable and green environment with effective and efficient use of the natural resources,

v. Strategy to enhance government's role in social management under the effective rule of law,

vi. Strategy on regional and international integration, and

vii. Strategy on industrialization and modernization.

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Concerning relations between the EU and Lao PDR, the EU is considered one of the most important development partners of Lao PDR in terms of grant aid for development cooperation and humanitarian aid in addition to being one of its most important trade partners. There are two forms of EU cooperation with Lao PDR, which are projects/programmes funded by the EU budget and managed by the European Commission as well as through bilateral initiatives of EU member countries.

In retrospect, the EU assistance to Lao PDR started during the early 1990s when the main priorities were rural development, urban development and support for refugees returning from Thailand. The EU development aid to Lao PDR reached approximately 100 million euro between 1993 and 2006. The current EU programme for Lao PDR covers five years and is synchronized with the Lao PDR's National Socio-Economic Development Strategy (2016-2020). The EU allocates 162 million euro in three sectors, which are nutrition, education and governance under the framework of the European Joint Programming 2016-2020. This has been set out a common vision, priorities, approach, and division of labor as well as planned spending of the EU, EU Member States and Switzerland. When combined together, the EU and

³⁸⁸ Lao PDR's Vision 2030 and 10 Year Socio-Economic Development Strategy 2016-2025. Retrieved from <https://rtm.org.la/wp-content/uploads/2017/08/Vision2030-and-10-Year-SocioEconomic-Dev-Strategy-2016_2025-LAO.pdf>. Accessed 19 November 2019.

EU member countries are the 4th biggest development donor in Lao PDR, committing around 70 million euro annually in grants.³⁸⁹

In terms of SDGs, The EU has supported Lao to achieve the MDGs, in partnership with the government and other development partners, and will continue to provide assistance for the achievement of the SDGs. The EU also recognizes and supports the efforts of Lao PDR to graduate from the group of Least Developed Countries (LDCs) by 2020. The EU recognizes Lao PDR's NSEDP as the development policy and poverty eradication instrument and the EU works in collaboration with other development partners to assess progress and the challenges of development cooperation in Lao. The EU also works towards an increased level of coordination, aid efficiency and division of labor, with current support focusing mainly on economic and social development and reforms with a particular emphasis on better health and education services and on agriculture and rural development, including the promotion of human rights, good governance and the sound management of public finances. Lao also benefits from the European Union Thematic and Regional Programmes, as well as humanitarian assistance from the EU.³⁹⁰

5.2.5 Malaysia Development Policy

Malaysia has implemented its 'Eleventh Malaysia Plan 2016-2020: Anchoring Growth on People' as an overarching development plan and policy. Under this Plan, there are six strategic thrusts in which the Malaysian Government promises to deliver. These are 'Enhancing inclusiveness towards an equitable society', 'Improving well-being for all', 'Accelerating human capital development for an advanced nation', 'Pursuing green growth for sustainability and resilience', 'Strengthening infrastructure to support economic expansion', and 'Re-engineering economic growth for greater prosperity'.³⁹¹

³⁸⁹ EU-Lao PDR. International Cooperation and Development. Retrieved from <https://ec.europa.eu/europeaid/countries/lao-peoples-democratic-republic_en>. Accessed on 17 November 2019.

³⁹⁰ Ibid.

³⁹¹ Eleventh Malaysia Plan 2016-2020: Anchoring Growth on People. Retrieved from <<https://mitra.gov.my/wp-content/uploads/sites/2/2019/01/RMKe-11-Book.pdf>>. Page 9. Accessed on 19 November 2019.

With regard to well-being, Malaysia claims that it has always adopted a balanced development approach that gives equal emphasis to both economic growth and the well-being. To elaborate, well-being refers to a standard of living and quality of life that addresses an individual's socio-economic, physical, and psychological needs. Well-being is essential to enhancing productivity and mobility, while simultaneously strengthening social cohesion and national unity. Malaysia aims at improving the well-being of all Malaysians, regardless of socio-economic background or geographic location. For instance, every Malaysian will have equal access to quality healthcare and affordable housing. Neighborhoods and public spaces will be safer, allowing them to have peace of mind and for communities to thrive. Sports and physical activity will become an integral part of life, with most, if not all Malaysians embracing a healthy lifestyle. Most importantly, there will be greater social integration leading to a more united and cohesive Malaysian community.³⁹²

Concerning relations between Malaysia and the EU, Malaysia has traditionally requested little external assistance from the EU since it has experienced an outstanding economic and social development in recent decades.

Relations in the areas of trade and investment are the basis of Malaysia-EU relations. The opening of an EU Delegation in the capital Kuala Lumpur in 2003 has led to greater interest in Malaysia-EU relations among all levels of Malaysian society. Bilateral relations have also reached new horizons with the launch of negotiations for a Partnership and Cooperation Agreement (PCA) and a Free Trade Agreement (FTA).

The EU-Malaysia Strategy Paper (2007-2013) outlines the areas for policy dialogue. These areas are as follows:

- *trade and investment,*
- *forest law enforcement, governance and trade (FLEGT),*
- *human capital, higher education policy, scholar and student mobility,*

³⁹² Ibid. Page 26.

- *human rights,*
- *governance, transparency and accountability and*
- *migration.*³⁹³

The EU's multi-annual indicative programme (2007-13) allocated 8 million euro to support these areas. Malaysia has also been successful in accessing funding under the EU's various thematic programmes, in particular in the fields of democracy and human rights, environment and sustainable management of natural resources including energy, asylum and migration.

Moreover, Malaysia has extensively benefited from regional programmes such as SWITCH-Asia (promoting sustainable consumption and production practices), FLEGT Asia (promoting good forest governance in the Asia region), as well as ASEAN-wide programmes and initiatives. Malaysia's current status quo is close to achieving its target of becoming a high income and advanced nation by 2020 and as a result it has received support under the EU's instrument for cooperation with industrialized and other high-income countries and territories, which was focused on research cooperation in the years 2007-13.³⁹⁴

5.2.6 Myanmar Development Policy

Myanmar's Ministry of Planning and Finance is responsible for formulating development plan for the country. The most recent development plan is entitled 'Myanmar Sustainable Development Plan (2018-2030). "The Myanmar Sustainable Development Plan (MSDP) is the expression of our national

³⁹³ EU-Malaysia. International Cooperation and Development. Retrieved from <https://ec.europa.eu/europeaid/countries/malaysia_en>. Accessed on 19 November 2019.

³⁹⁴ Ibid.

development vision—a vision that finds resonance in the global sustainable development agenda” is clearly expressed by the State Counselor, H.E. Daw Aung San Suu Kyi.³⁹⁵

This MSDP mentions clearly that the Government of Myanmar strives to strike the right balance between economic and social development, and environmental protection and sustainability. Myanmar also seeks to provide for the safety and security of our people by enhancing human security in all its forms and enabling the development of both hard and soft connectivity to help reduce the rural-urban divide in terms of access to markets, to information, to technology, to finance, to education, to basic infrastructure and healthcare, amongst others.³⁹⁶

Under this Plan, there are 5 goals, which are Goal 1: Peace, National Reconciliation, Security & Good Governance; Goal 2: Economic Stability & Strengthened Macroeconomic Management; Goal 3: Job Creation & Private Sector Led Growth Goal; 4: Human Resources & Social Development for a 21st Century Society; and Goal 5: Natural Resources & the Environment for Posterity of the Nation. These goals are based on 3 key pillars. These are Pillar 1: Peace and Stability, Pillar 2: Prosperity and Partnership, and Pillar 3: People and Planet. For each of the 5 Goals, definite strategies have been developed in addition to identified action plans. Action plans are designed to be multidimensional, with successful implementation requiring the involvement of a broad range of stakeholders, including multiple ministries and departments.³⁹⁷ It is worth noting that MSDP is intended to go in line with SDGs.

Considering EU-Myanmar cooperation, the EU has been playing a critical role in Myanmar. From 2012, the focus of EU assistance to Myanmar was on tackling deep-rooted structural poverty mainly through cooperation with NGOs and UN agencies. The focal sectors were education, health and livelihoods with

³⁹⁵ The Government of the Republic of the Union of Myanmar Ministry of Planning and Finance. Myanmar Sustainable Development Plan (2018 – 2030). Retrieved from <<https://www.mopf.gov.mm/sites/default/files/MSDP%20EN%203-9-18.pdf>>. Page iii. Accessed on 19 November 2019.

³⁹⁶ Ibid. Page 2.

³⁹⁷ Ibid. Page 5.

funding channeled through multi-donor trust funds. Funding was also directed to civil society organizations to promote change and protect human rights.

In February 2012, European Commissioner for Development, Mr. Andris Piebalgs, visited Myanmar to review the changes and options for the new 150 million euro package of assistance. This package was earmarked to be spent in 2012 and 2013, building upon existing support to social sectors of health, education and livelihoods as well as improving the capacity of government and encouraging democratic reforms, inclusive development and the peace process. These objectives are also in line with the EU's new development policy framework set out in the Agenda for Change.³⁹⁸

For 2013, the EU's commitments was worth 50 million euro, covering longer-term support to Trade and Private Sector Development, Ethnic Peace, Climate Change, as well as more support to civil society. The EU's current assistance 2014-2020 to Myanmar is to focus on development cooperation in the areas of rural development, education, governance and support to peace building with funding levels for the programming are likely to be substantially increased, up to 90 million euro annually.³⁹⁹

5.2.7 Philippines Development Policy

The Philippine's National Economic and Development Authority is responsible for formulating and planning the country's direction and strategic development plan. The current plan is entitled 'Philippine Development Plan 2017-2022'. The Long View according to this plan expresses clearly that "Filipinos want to spend time with family, friends, and their community. They want to enjoy a comfortable lifestyle, including having a decent house with secure long-term tenure, convenient transport, and being able to

³⁹⁸ EU-Myanmar. International Cooperation and Development. Retrieved from
<https://ec.europa.eu/europeaid/countries/myanmarburma_en>. Accessed on 19 November 2019.

³⁹⁹ Ibid.

travel for vacation. They want to feel secure about the future, wherever they are and wherever they want to go. They want to live long and healthy and are looking forward to enjoying their retirement.”⁴⁰⁰

To fulfill these aims, there are four strategic areas that this Plan is working on, these are a) Building a prosperous, predominantly middle-class society where no one is poor; b) Promoting a long and healthy life; c) Becoming smarter and more innovative; and d) Building a high-trust society.⁴⁰¹

The Government of Philippines encourages all parties involved to implement plan and strategies mentioned in the Development Plan 2017-2022 by requiring coordination among government agencies, private sector, civil society, and development partners.⁴⁰²

The EU's support to the Philippines mainly focuses on governance, job creation, renewable energy, health and assistance to vulnerable populations. The EU remains one of the biggest foreign development partners to provide support to Mindanao and the Peace Processes through a comprehensive approach supporting directly the political settlement with the Instrument contributing to Stability and Peace (IcSP) and longer term development mainly through the Development Cooperation Instrument (DCI). Relationship between the EU and Philippines has deepened further in recent years, in particular with the signing of the EU-Philippines Partnership and Cooperation Agreement in July 2012. The EU development assistance is aligned with the Philippine Development Plan 2017-2022, which goes in line with the SDGs.⁴⁰³ In addition, the EU support strategy for the period 2014-2020 more than doubles EU grant assistance to the Philippines compared with the period 2007-2013, from 130 million euro to 325 million

⁴⁰⁰ National Economic and Development Authority. Philippine Development Plan 2017-2022

<http://www.neda.gov.ph/wp-content/uploads/2017/12/Abridged-PDP-2017-2022_Final.pdf>. Page 7. Accessed on 20 November 2019.

⁴⁰¹ Ibid.

⁴⁰² Ibid. Page 45.

⁴⁰³ EU-Philippines cooperation. International Cooperation and Development. Retrieved from

<https://ec.europa.eu/europeaid/countries/philippines_en>. Accessed on 20 November 2019.

euro. The EU Multiannual Indicative Programme 2014-2020 focuses on rule of law and inclusive growth through sustainable energy and job creation.⁴⁰⁴

5.2.8 Singapore Development Policy

Singapore may have taken a different approach when it comes to development. While other ASEAN Member States focus on basic factors, Singapore has formulated plan and strategy evolving around business-oriented policy. This is to drive growth and economic performance for the country.

As part of that investment effort, the Singaporean government has provided strong supports to small and medium-sized enterprises (SMEs) since they account for over half of total enterprise value and employ nearly 70 percent of the workforce. Research and Development (R&D) is considered another important component of Singapore's policy of productivity-driven economic growth. The Singaporean government has brought local SMEs into R&D with cash incentives to help them develop innovation. Combined public and private R&D expenditure has put Singapore among the most R&D-intensive countries. Although public R&D budget lags behind that of private R&D spending, the Government policy aims to make up the gap by increasing expenditure to levels similar to 3.5 percent of gross expenditure.⁴⁰⁵

To conclude at this point, Singapore's development policy focuses on 1) Managing foreign workers dependence by increasing the productivity of local workforce, 2) Sustaining SME growth through fostering entrepreneurial environment, 3) Enhancing the innovation capabilities of local enterprises.

⁴⁰⁴ EU-Philippines Development Cooperation Report 2015: Working together to find the best solutions for development in the Philippines and for global challenges. Retrieved from

<https://eeas.europa.eu/sites/eeas/files/eu_ph_development_cooperation_report2015.pdf>. Page 6. Accessed on 20 November 2019.

⁴⁰⁵ OECD. Structural Policy Country Notes: Singapore. Retrieved from <<https://www.oecd.org/dev/asia-pacific/Singapore.pdf>>. Page 2-5. Accessed on 21 November 2019.

The EU and Singapore relations relating to development cooperation has deepened via advanced issues such as 'Circular Economy.' For instance, a combined Circular Economy Mission to Singapore and Malaysia in June 2019 was to promote intelligent, inclusive and sustainable economic growth in these countries, while opening markets for EU green companies and entrepreneurs.⁴⁰⁶

The EU's Circular economy missions are a major tool to promote sustainable development in a global context. This is to confirm global EU leadership on circular economy and supporting green European SMEs to expand their activities abroad. The EU and Singapore recognize that the world population will continue to grow from currently 4.5 billion to 4.9 billion in 2030, and 5.3 billion in 2050, Asia has a key role to play in the global transition to a resource-efficient, circular and low-emission future. Therefore, political discussions between the two parties will focus on waste management (plastics, marine litter, construction, e-waste, solid and domestic waste, food waste, packaging waste, recycling) and links with robotics solutions and Industry 4.0, sustainable finance, water, and urban issues. Moreover, with an increasing population, urbanization and economic growth, people in general are faced with new challenges to manage increasing amounts of waste. In this regard, Singapore generated 7.7 million tons of waste in 2017. This is a seven-fold increase from 40 years ago, and enough to fill 15,000 Olympic-size swimming pools. Singapore's Ministry of the Environment and Water Resources (MEWR) has designated 2019 as the 'Year towards Zero Waste.' Singapore aims to achieve a recycling target of 70 percent by 2030 from its current 61 percent. It is working towards becoming a Zero Waste Nation by reducing its consumption of materials and reusing and recycling resources.⁴⁰⁷ This demonstrates a next level of cooperation between Singapore and the EU, which is different from other ASEAN Member States.

⁴⁰⁶ Environmental Cooperation: European Commission promotes circular economy and green partnerships in Singapore and Malaysia. Retrieved from <https://ec.europa.eu/info/news/environmental-cooperation-european-commission-promotes-circular-economy-and-green-partnerships-singapore-and-malaysia-2019-jun-05_en>.

Accessed on 21 November 2019.

⁴⁰⁷ Ibid.

5.2.9 Thailand Development Policy

Thailand's National Economic and Social Development Board (NESDB) plays a leading role in formulating economic and social development plan and policy. The current plan is the Twelfth National Economic and Social Development Plan, covering 2017-2021.

There are seven objectives and six overall development targets according to this Plan. Highlight related to well-being can be seen from objective 1.1, which reads "to lay a foundation for a good value-system by encouraging Thais to be ethical, disciplined, happy, healthy and smart. They should have good social values, public mindedness, close family ties, and be capable of continuous self-development through every stage of their lives." Moreover, the term 'quality of life' is echoed in objective 1.4, which reads "To preserve and restore natural resources and environmental quality in order to support green growth and enhance the quality of life of Thai citizens." In addition, employment and income inequality is mentioned in development target 2.2, which states "Income inequality and the level of poverty should be reduced. The foundations of the economy should be strengthened. Every Thai should have fair access to resources, job opportunities and social services. The 40 percent of the population with the lowest incomes should see their income levels rise by at least 15%." ⁴⁰⁸

This reflects how three key factors of well-being are ingrained in Thailand's Plan. Not only is this Plan based on the principles of 'Sufficiency Economy Philosophy' and 'Human-Centered Development', but it also adopts the SDGs as Thailand's future development direction. ⁴⁰⁹

In terms of EU-Thailand development cooperation, during 2007-2013, the two counterparts maintained their relations based on Thailand-European Community Strategy Paper. This paper outlined target areas for cooperation such as economic relations, scientific and technological cooperation and education, capacity in the public administration to advance Thailand's national development agenda and

⁴⁰⁸ Thailand's Twelfth National Economic and Social Development Plan. Retrieved from http://www.nesdb.go.th/nesdb_en/ewt_dl_link.php?nid=4345>. Page 78-79. Accessed on 25 November 2019.

⁴⁰⁹ Ibid. Page 34.

collaborating in the fight against organized crime and terrorism, good governance, and human rights. In this regard, the budget around 8 million euro was allocated.⁴¹⁰

Over the years, the EU's role towards Thailand has changed from a traditional donor-recipient relationship towards a partnership for development. The EU has developed its role as a facilitator of knowledge sharing and a partner for policy dialogue on key sectoral issues. EU-Thailand cooperation is focused on two main areas, which are 1) a cooperation facility for technical assistance and 2) higher education. To elaborate, Thailand-EU cooperation facility deals with economic development in the areas of trade and investment, environment and energy, research and technology and good governance. Consider higher education and training, Thailand benefits from funding under the Erasmus Mundus programme, which provides grants to enable Thai students to study in the EU.⁴¹¹

5.2.10 Vietnam Development Policy

Vietnam's general development objective is to "strive to make the country a modern oriented industrial one by 2020 with socio-political stability, agreement, democracy, discipline; people's physical and spiritual life is clearly improved; the independence and territorial unification are firmly maintained; Vietnam's position in international arena is continually improved; creating firm premises for higher development in the next period."⁴¹²

⁴¹⁰ Thailand-European Community Strategy Paper for the period 2007 – 2013. Retrieved from https://ec.europa.eu/europeaid/sites/devco/files/csp-thailand-2007-2013_en.pdf>. Accessed on 25 November 2019.

⁴¹¹ EU-Thailand. International Development Cooperation. Retrieved from

<https://ec.europa.eu/europeaid/countries/thailand_en>. Accessed on 25 November 2019.

⁴¹² Vietnam's Socio-Economic Development Strategy for the Period of 2011-2020. Retrieved from <https://www.economica.vn/Portals/0/Documents/1d3f7ee0400e42152bdcaa439bf62686.pdf>>. Page 6. Accessed on 26 November 2019.

Vietnam's development viewpoints are composed of 'Fast development that has to go side by side with sustainable development; sustainable development', 'Make comprehensive renovation in line with the country's economy and politics for the purpose of building up a socialist Vietnam with a strong country, rich people, democracy, equality and civilization', 'Practice democracy, uphold at most human factor, and consider human the subject, the main resource and objective of the development', 'Strongly develop production force with increasingly higher level of science and technology; at the same time, finalize production relations and socialist oriented market economic regulations' and 'Build up an economy with increasingly high independence and self-control in the context of a more intensive integration into the world.'⁴¹³

Vietnam views fast development has to go side by side with sustainable development since sustainable development is a foundation for fast development and fast development is to create resources for sustainable development. As a result, it is necessary to ensure a sustainable economic development, macroeconomic stability and economic security.

In this regard, Vietnam looks at key areas to development; these are economic, cultural, society and environmental development. To elaborate, in economic development there must be a strongly develop production force, building appropriate production relation; comprehensively establish regulations of the socialist oriented market economy. In socio-cultural development, Vietnam must build up a united and democratic society with rules, equality and civilization. Up to 2020, human development index (HDI) will reach medium high group of the world; population growth rate will be stable at 1.1 percent; life expectancy will reach 75 years old. In addition, in environmental development, Vietnam seeks to improve environment quality. In relation to health and education, Vietnam mentions clearly that "strongly develop health cause and improve the quality of healthcare work for the people.... and improve the quality of human resources comprehensively renovate and quickly develop the education and training."⁴¹⁴

⁴¹³ Ibid. Page 4-6.

⁴¹⁴ Ibid. Page 16-17

With regard to the EU-Vietnam development cooperation, in the past the EU priorities in Vietnam were based on EU-Vietnam Country Strategy Paper 2007-2013. Thus, it provided a direct support to Vietnam's initiatives to reduce poverty and improve healthcare to the poor. The EU budget around 140 million euro was provided for the strategy 2011-2013 in addition to the initial Multi-Annual Indicative Programme 2007-2010, which accounted for approximately 160 million euro.

The EU support to trade fell under the EU-Vietnam bilateral agreement, a budget of 16 million euro relating trade and investment project was allocated in July 2012. Moreover, in 2013 negotiations between the European Commission and Vietnam's Ministry of Health led to the approval of a major budget support programme for the country to bring about improved health service delivery to the poor and an overall improvement in health service management. Cross-cutting themes are also an important part of EU-Vietnam cooperation, including environmental protection, culture and education, gender equality, the promotion of human rights and good governance. EU regional and thematic programmes such as those for civil society and human rights, which benefit many developing countries in many regions, provide grants to relevant organizations in Vietnam.⁴¹⁵

5.3 Analysis and Connection between development policy and well-being

⁴¹⁵ EU-Vietnam. International Development Cooperation. Retrieved from
<https://ec.europa.eu/europeaid/countries/vietnam_en>. Accessed on 25 November 2019.

Theories and Approaches	Normative		Development	The World	Well-being
	Power Europe	Game theory	Policy of the European Union	after GDP	manifesto for a flourishing society
Development policy					
The EU	The EU exports its development policy to interact and transfer technical knowledge as well as assistance. 'Transference' norm is the key principle that the EU diffuses when setting development agenda with ASEAN.	Development policy of the EU is globally recognized and willing to negotiate with counterparts to make things better. Nonetheless, partners must set agenda and prioritize in which they seek technical assistance from the EU.	The EU makes it clear that development policy is a means to a better living standard. Sustainable development and key areas of development cooperation are best evidence.	Three key principles can be applied to explain, which are 'Data revolution: from vertical control to horizontal distribution', 'Local power and collective leadership' and 'From globalization to regionalization'.	'Create a well-being economy: employment, meaningful work and environmental taxation principle is the closet principle to explain the EU's positioning towards well-being in relation to development policy.
ASEAN Charter	ASEAN Charter is a broad	ASEAN Charter	'Regional integration and	'From globalization to	ASEAN Charter

	<p>consensus among ASEAN Member States. Values and principles are there but strategies to reach targets depend on approaches, either pursuing relations with the EU at regional level or each ASEAN Member States establish relations with the EU bilaterally.</p>	<p>provides general guidelines for Member States so that there is no obligation, no legally-binding mechanism. This presents room for cooperation. On the other hand, it reflects how ASEAN has less power to negotiate as a collective power compared to the EU, particularly when dealing with development issues.</p>	<p>cooperation' principle can be applied in this category.</p>	<p>regionalization' principle can help explain ASEAN Member States cooperation in key areas.</p>	<p>possesses all three key factors and encourages Member States to fulfill well-being. However, tangible mechanism with regard to trade at ASEAN level has been left to Member States to decide.</p>
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Brunei Darussalam	The EU and Brunei maintain their relationships via development cooperation in the area of education. In this regards, the EU's norms has been transferred and present in Brunei.	Since Brunei is not considered a developing country, the country has not sought much of the EU assistance in terms of development cooperation.	Development policy has an indication towards the development in terms of Brunei's infrastructure.	-	Brunei's development policy has health in its plan.
Cambodia	'Procedural diffusion' and 'Transference' principles can explain how the EU and Cambodia interact via assistance from the EU's SOCIEUX+ in particular.	'Variable-sum games' can explain how the EU and Cambodia have been working together to address development issues.	'Regional integration and cooperation' and 'Macroeconomics policies linked to poverty reduction' principles can help explain why Cambodia responds to the EU's presence.	Cambodia still has a serious problem with civil society and people engagement at different levels when it comes to political matter, therefore post-GDP economy	Cambodia needs to improve all three key factors since it still lacks access to good healthcare, quality education and decent employment.

				and better level of well-being for the general public may need external pressure from the EU to make some changes.	
Indonesia	The EU and Indonesia launched trade talks for the Comprehensive Economic Partnership Agreement (CEPA) in 2016. The agreement also includes a comprehensive chapter aiming to ensure that closer economic relations between the	Co-operative game can help explain why Indonesia agrees to the EU's development proposal and vice versa.	The EU has spent more than 500 million euro development assistance in Indonesia in the last ten years, in particular to promote basic education for all and good governance, trade, among others.	From globalization to regionalization' principle works best to explain how Indonesia understands the current situation concerning global trend in sustainability and related matters, thus it brings in the EU to help improve various areas in need.	Education and health are mainly mentioned in Indonesia's development policy and plan in collaboration with external assistance from the EU.

	EU and Indonesia go hand in hand with environmental protection and social development.				
Lao PDR	The EU is considered one of the most important development partners of Lao PDR in terms of grant aid for development cooperation and humanitarian aid in addition to being one of its most important trade partners.	Lao PDR relies on external assistance, aid and grants so that it needs to play a cooperative sum game as its dominant strategy to gain interests and benefits.	There are two forms of EU cooperation with Lao PDR, which are projects/programmes funded by the EU budget and managed by the European Commission as well as through bilateral initiatives of EU member countries.	-	Poverty reduction is still considered the main goal to reach for Lao PDR; however it recognizes the three key factors also play a key role to help alleviate the poverty.
Malaysia	Bilateral relations	Malaysia has been	The EU's multi-annual indicative	Programmes such as	Malaysia claims that it

	between the EU and Malaysia have reached new horizons with the launch of negotiations for a Partnership and Cooperation Agreement (PCA) and a Free Trade Agreement (FTA).	successful in accessing funding under the EU's various thematic programmes, in particular in the fields of democracy and human rights, environment and sustainable management of natural resources including energy, asylum and migration.	programme (2007-13) allocated 8 million euro to support thematic areas. Malaysia has also been successful in accessing funding under the EU's various thematic programmes.	SWITCH-Asia (promoting sustainable consumption and production practices), FLEGT Asia (promoting good forest governance in the Asia region), as well as ASEAN-wide programmes and initiatives provide evidence to support 'From globalization to regionalization' principle.	has always adopted a balanced development approach that gives equal emphasis to both economic growth and the well-being.
Myanmar	The EU has been playing a critical role in Myanmar. From 2012, the	During the period of 2014-2020, the EU's funding for the	EU's current assistance 2014-2020 to Myanmar is to focus on development	Interestingly, Myanmar's development policy and plan mentions	MSDP mentions clearly that the Government of Myanmar

	<p>focus of EU assistance to Myanmar was on tackling deep-rooted structural poverty mainly through cooperation with NGOs and UN agencies.</p>	<p>programming in Myanmar are likely to be substantially increased, up to 90 million euro annually.</p>	<p>cooperation in the areas of rural development, education, governance and support to peace building.</p>	<p>funding towards civil society organizations to promote change and protect human rights in addition to other sectors like education, health and livelihoods with funding channeled through multi-donor trust funds.</p>	<p>strives to strike the right balance between economic and social development, and environmental protection and sustainability.</p>
Philippines	<p>The EU's presence in Philippines has provided strong evidence, which leads to development cooperation in many areas.</p>	<p>The EU support strategy for the period 2014-2020 more than doubles EU grant assistance to</p>	<p>'Good governance and the management of public affairs' principle can be used to explain the EU position in Philippines and the country</p>	<p>'Civil society at the core of governance' principle is in line with the Government of Philippine encourages all parties involved</p>	<p>Philippines' Plan is working on a) Building a prosperous, predominantly middle-class society where no one is poor; b) Promoting a</p>

	Thus the EU's norms and values are clearly seen.	the Philippines compared with the period 2007-2013, from 130 million euro to 325 million euro.	strongly agrees to improve its capacity in this area. This can be seen from initiative and project granted by the EU.	to implement plan and strategies mentioned in the Development Plan 2017-2022 by requiring coordination among government agencies, private sector, civil society, and development partners	long and healthy life; c) Becoming smarter and more innovative; and d) Building a high-trust society. They may not address well-being directly but efforts support such environment.
Singapore	While other ASEAN Member States focus on basic factors, Singapore has formulated plan and strategy evolving	Cooperative game leads to a new form of cooperation. For instance, a combined Circular Economy Mission to	The EU's Circular economy missions are a major tool to promote sustainable development in a global context. This is to confirm	'From globalization to regionalization' principle can help explain how Singapore has effectively been able to work with the	Singapore's development policy focuses on 1) Managing foreign workers dependence by increasing

	<p>around business-oriented policy. In this regard, The EU and Singapore relations relating to development cooperation has deepened via advanced issues such as 'Circular Economy.'</p>	<p>Singapore and Malaysia in June 2019 was to promote intelligent, inclusive and sustainable economic growth in these countries, while opening markets for EU green companies and entrepreneurs.</p>	<p>global EU leadership on circular economy and supporting green European SMEs to expand their activities abroad. The EU and Singapore recognize that the world population will continue to grow from currently 4.5 billion to 4.9 billion in 2030, and 5.3 billion in 2050, Asia has a key role to play in the global transition to a resource-efficient, circular and low-emission future.</p>	<p>EU in addressing key issues of the future.</p>	<p>the productivity of local workforce, 2) Sustaining SME growth through fostering entrepreneurial environment, 3) Enhancing the innovation capabilities of local enterprises. These may not sound relevant to well-being development, but Singapore uses these to provide a better quality of life for its citizens.</p>
Thailand	<p>EU's role towards</p>	<p>Consider higher</p>	<p>The EU-Thailand development</p>	<p>-</p>	<p>Thailand's seven</p>

	<p>Thailand has changed from a traditional donor-recipient relationship towards a partnership for development. The EU has developed its role as a facilitator of knowledge sharing and a partner for policy dialogue on key sectoral issues.</p>	<p>education and training, Thailand benefits from funding under the Erasmus Mundus programme, which provides grants to enable Thai students to study in the EU.</p>	<p>cooperation, during 2007-2013, the two counterparts maintained their relations based on Thailand-European Community Strategy Paper.</p>		<p>objectives and six overall development targets according to NESDB Plan. Highlight related to well-being can be seen from objective 1.1, which reads “to lay a foundation for a good value-system by encouraging Thais to be ethical, disciplined, happy, healthy and smart. They should have good social values, public mindedness, close family</p>
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					ties, and be capable of continuous self-development through every stage of their lives.”
Vietnam	‘Procedural diffusion’ and ‘Transference’ principles can explain how the EU and Vietnam interact via development policy where institution like health sector in Vietnam receives assistance from the EU, including budget and	Development policy is an agenda and a game; therefore the two parties play such game and mutually gain benefits.	‘Regional integration and cooperation principle’ helps explain Vietnam’s move to improve its conditions and areas that need development.	‘Data revolution: from vertical control to horizontal distribution’ principle can help explain better than others. Although Vietnam still governs by socialist system, the government has been trying to decentralize its services	Vietnam prioritizes health and education. In response the EU has provided technical assistance to Vietnam via development policy and development cooperation.

	initiative in response to Vietnam's needs.			through related organizations.	
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5.4 Summary

Development cooperation in many areas between the EU and ASEAN Member States reflect how well-being and key factors relating to well-being have been valued and translated into actions via projects/programmes. One can see that each ASEAN Member States has its own development policy and plan and thus common key terms appear to be in similar situation, which needs further development cooperation except for developed nations like Singapore and Brunei.

According to the analysis, key factors of well-being are mentioned variably in each ASEAN Member States' development plan and policy. Relations between the EU and each Member States of ASEAN helps facilitate and address key areas that need further development cooperation. This Chapter demonstrates how development policy of the EU, ASEAN and each Member States of ASEAN can play a critical role in formulating agenda and maintain inter-regional relations.

It can be concluded that development policy is another tool that has been used in addition to trade policy as to build a stronger relations between the two regional groupings in question. Trade policy and development policy are potentially important and both are highly effective when contributing to the growth for developing countries such as in many cases appear in ASEAN Member States. Therefore, trade policy (as seen from the previous chapter), which helps create growth to economy and other sectors, can enhance the works of development policy and vice versa.

CHAPTER VI

COOPERATIONS BETWEEN THE EU AND ASEAN THROUGH PROJECTS/PROGRAMMES

“Development policy and international cooperation are fundamental European policies which affect us all. With the active help of all, we can change the way we speak about these global. In short, we should all bring this year to life, we have some fantastic stories to tell about “our world, our dignity and our future” – let’s tell them together.”⁴¹⁶

Jean-Claude Juncker

Co-operations and collaborations between the EU and ASEAN have existed through a wide range of projects and initiatives. In addition, the EU side has provided both funding and technical assistance to ASEAN. This is to promote technical training and cooperation even though there is less of strategic focus.⁴¹⁷ The EU and ASEAN as leading regional groupings in the world cooperate with each other through country-based assistance and at regional level.

Under the Treaty of Lisbon, development is at the heart of every policy in which well-being of the EU citizens can be fulfilled through different schemes including international and inter-regional collaborations. In addition, international and inter-regional relations between the EU and ASEAN on development issues appear to have diverse evidences, which need to be scrutinized whether the co-operations implemented have been consistent with the EU’s values and practices in relation to well-being.

⁴¹⁶ European Commission. Speech by President Juncker at the Opening Ceremony of the European Year for Development 2015. Retrieved from <http://europa.eu/rapid/press-release_SPEECH-15-3100_en.htm>. Accessed on 1 December 2017.

⁴¹⁷ Martin Holland and Mathew Doidge. Development Policy of the European Union. Palgrave Macmillan. 2012. Page 166.

This chapter will explore which channel is the most efficient way for the EU and ASEAN when setting agendas and working together to address well-being and three key factors. In addition, it will look at internal mechanisms, which provide budget, funding and structural management for key issues along with trade and development policy of the EU and ASEAN's. This is to investigate further whether they have created an impact on ASEAN's well-being in relation to the three key factors. For a greater understanding, seven key projects/programmes selected to reflect the aspect of joint collaboration between the two blocs will be presented accordingly.

Interestingly, within the EU, there has been a growing recognition of well-being and well-being inequality increasingly. In addition, it even provides an explanation to the Brexit phenomenon as Figure 6.1 below shows that high well-being inequality in the UK is a strong predictor of an area voting to leave the EU.

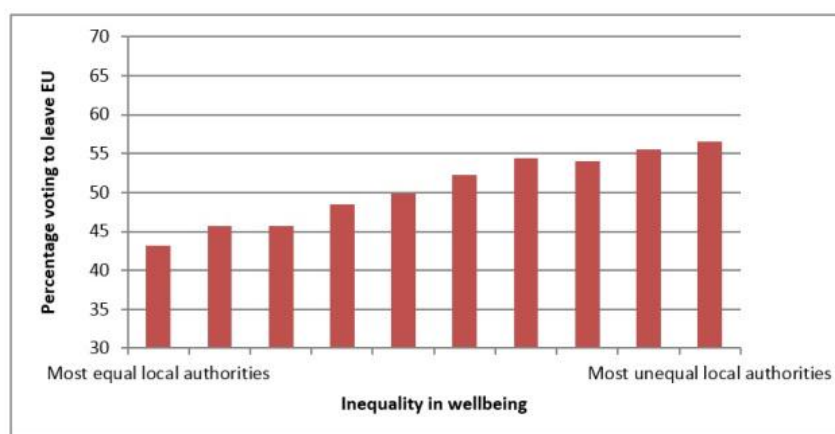


Figure 6.1: Inequality in well-being

**Source: What works wellbeing, what wellbeing inequalities tell us about the EU
Referendum result. 2016.**

6.1 The EU and its Funding Assistance to ASEAN

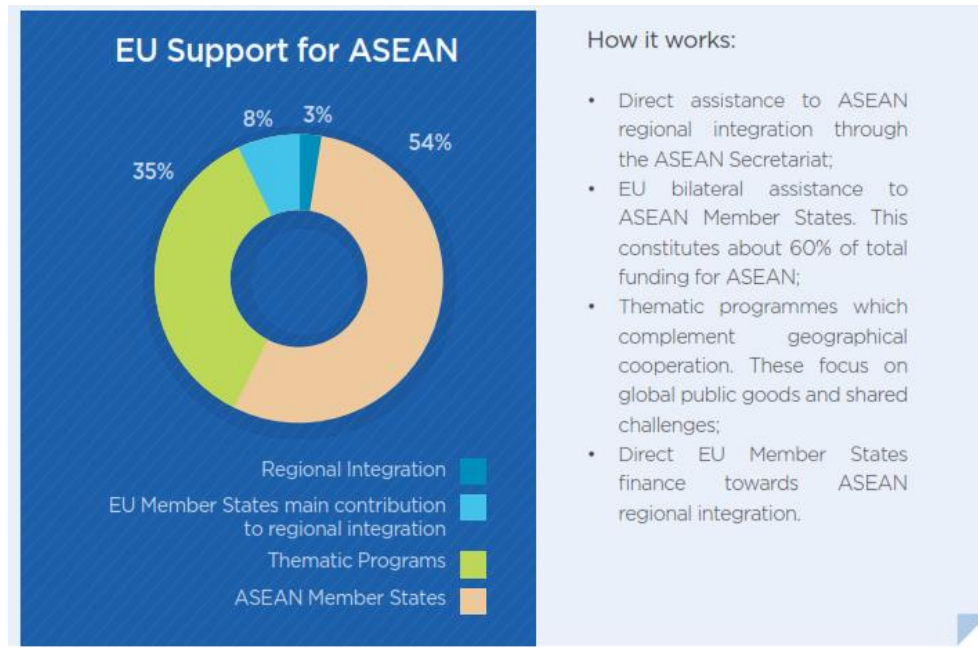


Figure 6.2: How is the EU's budget distributed

Source: EU Support for ASEAN, Sources of shared inspiration

According to Figure 6.2, the majority of EU's funding for ASEAN, which is around 54 percent, has been distributed to Member States of ASEAN based on bilateral assistance whereas thematic programs have been funded around 35 percent.

Areas of EU ASEAN Cooperation	Political-Security Community	Economic Community	Socio-Cultural Community
	<i>Border Management</i>	<i>Customs, Standards, Transit</i>	<i>Higher Education</i>
	<i>International Peace and Mediation</i>	<i>Intellectual Property Rights</i>	<i>Disaster Management</i>
	<i>Maritime Cooperation</i>	<i>Trade Policy</i>	<i>Climate Change</i>
	<i>Human Rights</i>	<i>Energy</i>	<i>Science and Technology</i>
		<i>ICT</i>	
		<i>Statistics</i>	

Figure 6.3: EU cooperation supports priorities of three community blueprints

Source: EU Support for ASEAN, Sources of shared inspiration

Considering Figure 6.3, one can see that the EU realizes how to work with ASEAN, which is through the three pillars of ASEAN. These are 'Political-Security Community', 'Economic Community' and 'Socio-Cultural Community' where areas of EU-ASEAN Cooperation fit effectively well via this channel.

Country	Priority Areas	Million € 2007-13
Cambodia	National Strategic Development Plan, Basic Education	143
Indonesia	Education, Trade and Investment, Globalisation, Law Enforcement	402
Lao PDR	Government Reform, Sustainable Development, Good Governance and Human Rights, Trade	69
Malaysia	Dialogue Facility, Trade and Investment	8
Myanmar	Education, Health, Public Administration Reform, Peace, Trade	125
Thailand	Policy Dialogue Facility covering Trade, Investment, Environment and Climate Change, Governance etc.	12
Philippines	Poverty Reduction, Health, Trade and Investment, Mindanao Peace Process	128
Vietnam	Socio-Economic Development Plan, Health	298

Table 6.4: Supporting ASEAN Member States

Source: EU-ASEAN, Natural Partners

Apart from areas of EU-ASEAN Cooperation under the ASEAN Three Community Blueprints, priority areas of each ASEAN Member States play a critical role in making decision when receiving funding and assistance from the EU.

Projects, in accordance with Table 6.4, were subsequently varied by nature of needs; as a result they received funding from the EU in different amounts. As can be seen, Singapore and Brunei Darussalam were not mentioned since they do not qualify for an official development aid. On top of that, their development levels are considered higher than the rest of ASEAN and above the EU's criteria.

Considering the EU's assistance to ASEAN, it can fundamentally be said that two levels of cooperation are suitable. One based on bilateral agreement/level with each of ASEAN Member States, the other is at regional level, which can be set as inter-regional relations.

Therefore, either one of them plays a synergistic role in setting agenda for cooperation since it maximizes and strengthens capacity as well as the well-being of citizens, reflecting one of the objectives of ASEAN Charter and the EU's Treaty of Lisbon.

EU Support to ASEAN Community		
Political-Security Community	Economic Community	Socio-Cultural Community
Border Management	Internal Markets	Education
Confidence Building	Customs	Biodiversity
International Peace and Mediation	Standards	Relief and Disaster Management
Parliamentarian Diplomacy	Statistics	Media
Asymmetric Risks	Trade Liberalisation	Climate Change
	Energy	Science and Technology

Table 6.5: EU Support to ASEAN Community

Source: EU-ASEAN, Natural Partners

Considering the EU Support to ASEAN Community in Table 6.4, although two key factors as being health and employment are not mentioned clearly as education (under Socio-Cultural Community), and are not directly mentioned in any of these areas of cooperation, health and employment have been somehow inserted in projects and initiatives in which they will be discussed later on.

As Ian Manners mentioned in Normative Power Europe, even though the theory itself mainly proposed the idea to help analyze the EU's attempt to the international pursuit of the abolition of the death penalty, one can use ideological power characteristics of this theory to help understand an angle of common agenda in which the EU is regarded as a global identity in terms of development when dealing with ASEAN here.⁴¹⁸

To further elaborate, the principles of democracy, rule of law, social justice and respect for human rights were mentioned in the 1973 Copenhagen declaration on European identity. On top of that, from the birth of EC to EU up until present, a series of declarations, treaties, policies, criteria and conditions have been released; as a result it reflects 'acquis communautaire' and 'acquis politique' of the EU.⁴¹⁹

In particular, norm that can reflect sustainable development was mentioned in Article 2 of the Treaty on European Union. This reads "the Union is founded on the values of respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights, including the rights of persons belonging to minorities. These values are common to the Member States in a society in which pluralism, non-discrimination, tolerance, justice, solidarity and equality between women and men prevail."⁴²⁰

In addition, this is mentioned in Article 21 of the Treaty of Lisbon, as it reads "the Union's action on the international scene shall be guided by the principles which have inspired its own creation, development and enlargement, and which it seeks to advance in the wider world: democracy, the rule of law, the universality and indivisibility of human rights and fundamental freedoms, respect for human dignity, the

⁴¹⁸ Ian Manners. Normative Power Europe: A contradiction in terms? Journal of Common Market Studies. Volume 40. Number 2. 2002. Page 238.

⁴¹⁹ Ibid. Page 241-242.

⁴²⁰ The Consolidated version of Treaty on European Union. Retrieved from http://www.ccbe.eu/fileadmin/user_upload/document/50th_anniversary/1-3_Treaties_-_Charter_-_ECHR.pdf. Page 1. Accessed on 23 June 2018.

principles of equality and solidarity, and respect for the principles of the United Nations Charter and international law.”⁴²¹

Moreover, following the Rio Earth summit in 1992, the Treaty of Amsterdam in 1997 took sustainable development more seriously and included it in as an overarching objective of EU policies.⁴²² Again, the EU 2020 Strategy mainstreams wide range of issues concerning sustainable development for the three mutually reinforcing priorities, which are Smart growth, Sustainable growth and Inclusive growth.⁴²³

According to Ian Manners's Normative Power Europe, the form of collaborations between the EU and ASEAN can be related to one of the Founding Principles, i.e. 'Respect for Human Rights and fundamental freedoms' and under 'Tasks and Objectives' section where 'Sustainable development' is placed.⁴²⁴ However, to be more precise, norm of the EU will be meaningless if not implemented. The diffusion of EU's norms through collaborations can be categorized under 'Procedural diffusion' principle in which it involves the institutionalization of relationship between the EU and third party; in this regard it is ASEAN as an inter-regional cooperation.⁴²⁵

It is worth mentioning that table 6.6 below supplies ASEAN's reaction to international agendas like MDGs at regional level in order to understand how ASEAN prioritizes issues and efforts concerning the connection and implementation of agendas, cross-cutting issues and collaboration.

⁴²¹ Consolidated texts of the EU Treaties as amended by the Treaty of Lisbon. Retrieved from <https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/228848/7310.pdf>. Page 23. Accessed on 23 June 2018.

⁴²² Sustainable development and Environment. Retrieved from <<http://ec.europa.eu/environment/eussd/>>. Accessed on 23 June 2018.

⁴²³ Europe 2020: A strategy for smart, sustainable and inclusive growth. Retrieved from <<http://ec.europa.eu/eu2020/pdf/COMPLET%20EN%20BARROSO%20%20%20007%20-%20Europe%202020%20-%20EN%20version.pdf>>. Page 3. Accessed on 23 June 2018.

⁴²⁴ Ian Manners. Normative Power Europe: A contradiction in terms? Journal of Common Market Studies. Volume 40. Number 2. 2002. Page 243.

⁴²⁵ Ibid. Page 244.

Levels of action	Existing work for MDGs that can be built on and adapted for SDGs	
	Track 1 Actors	Track 2 Actors
High level expression of commitment	An MoU was signed between the ASEAN Secretariat and UN to work closely on promoting regional security and achieving MDGs (2007) Joint Declaration on the Attainment of the Millennium Development Goals in ASEAN (2009)	Informal consultations and discussions between T2 actors with ASEAN Secretariat and ASEAN government officials outside ASEAN processes.
Policymaking	Incorporated as action lines in the ASCC Blueprint (2009) under the elements of: <ul style="list-style-type: none"> • Poverty Alleviation⁵ • Access to Healthcare and Promotion of Healthy Lifestyles⁶ • Improving Capability to Control Communicable Diseases⁷ ASEAN Roadmap on the Attainment of MDGs (2012) – a regional study conducted by ASEAN Secretariat (with Australian Government's support)	Provision of technical advice and inputs to T1 ASEAN meetings as a government delegation member during high-level and policy formulation meetings
Implementation	National and regional MDG-relevant activities by ASEAN member states acting on the high-level ASEAN expression of commitment	Activities which are designed explicitly to support MDGs, particularly by country-based UNDP offices, ADB and World Bank and their partners, as well as NGOs and academia such as AIT's ASEAN Regional Centre of Excellence for the MDGs (ARCMDGs)
Monitoring & Evaluation	Overall monitoring by ASEAN Secretariat and the ASEAN Coordinating Council ASEAN Statistical Report on Achieving the MDGs	ESCAP's Asia-Pacific Regional MDG Report (2007) ESCAP/ADB/UNDP Asia-Pacific Millennium Development Goals (MDGs) Report (2012) MDG Reports by UNDP country offices Assessment papers by various universities, research institutes and think-tanks

Table 6.6: Existing work for MDGs that can be built on and adapted for SDGs

Source: Simon H. Olsen et al. ASEAN Community and the Sustainable Development Goals: Positioning Sustainability at the Heart of Regional Integration

According to Table 6.6, Track 1 Actors or T1 refers to official, government-led activities while Track 2 Actors or T2 refers to unofficial activities with close links to T1, which is led by external and non-government entities, including the research community. Therefore, T1 and T2 function symbiotically.

More explanation is provided as follows:

To T1 actors, T2 may serve as: 1) a source of advice and expertise, especially for emerging or highly dynamic issues; 2) a relatively safer and more feasible socializing space for discussion and to generate new ideas, especially on sensitive issues; and 3) an alternative route for action when T1 is stalled.

T1 also refers to the activities of all official ASEAN bodies (ASEAN Summit, ministerial or other official meetings, etc.) carried out by national government representatives from ASEAN Member States. Meanwhile, T2 refers to activities outside T1 led by non-ASEAN, nongovernment entities, including other governments (in ASEAN terminology they are referred to as 'Dialogue Partners', supporting organizations such as the UN (an ASEAN Dialogue Partner since 2007), as well as other international or regional organizations, academia and non-governmental organizations (NGOs).

In general, non-government affiliated T2 actors who are not Dialogue Partners have a limited role in ASEAN formal meetings. Typically, only ASEAN Member States (T1 government representatives) have formal standing in ASEAN meetings. The participation of T2 actors is determined by official nomination by T1 actors, after which they may act as members of government delegations for specific purposes – as technical resource persons, advisors or project implementing partners who assist in providing reports and inputs into ASEAN meetings for example. Actions on MDGs in the context of the ASEAN have been pursued at varying levels by both T1 and T2 actors, from high-level expressions of political commitment, to policymaking, as well as implementation and monitoring and evaluation.⁴²⁶

⁴²⁶ Simon H. Olsen, Shom Teoh and Ikuho Miyazawa. ASEAN Community and the Sustainable Development Goals: Positioning Sustainability at the Heart of Regional Integration. IGES White Paper. Retrieved from <https://pub.iges.or.jp/system/files/publication_documents/pub/bookchapter/4912/IGESWhitePaperV2015_C04.pdf>. Page 64-65. Accessed on 25 June 2018.

Since Table 6.6 provides details regarding the works of ASEAN and partners only on issues related to MDGs, there is no EU's involvement mentioned both in T1 and T2. In reality, the EU and ASEAN have been collaborating through various projects bilaterally and inter-regionally. Also, the EU and ASEAN have been maintaining dialogue relations since it was formalized in 1977. Later, the relations between the two blocs were strengthened and guided by the 'Nuremberg Declaration on an EU-ASEAN Enhanced Partnership', which was adopted in 2007.⁴²⁷

Having witnessed a long-term inter-regional relations between the two regional groupings through Ian Manners' theory, the EU is a natural dialogue partner of ASEAN and a model to learn from, especially when putting key issues and integrating them within regional and national priorities such as in the case of environmental policy integration (EPI) in the EU.⁴²⁸

6.2 ASEAN and its Decision Making Process

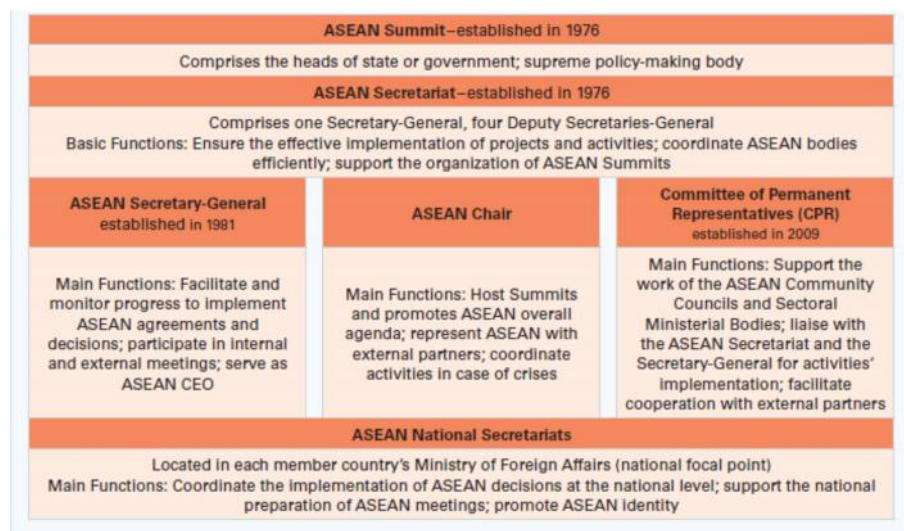


Figure 6.7: Institutional Bodies and Ministerial Meetings forming the ASEAN Community

Source: Asian Development Bank Institute. ASEAN 2030: Toward a Borderless Economic Community. 2014.

⁴²⁷ ASEAN. Overview of ASEAN-EU Dialogue Relations. Retrieved from <http://asean.org/?static_post=overview-of-asean-eu-dialogue-relations>. Accessed on 27 June 2018.

⁴²⁸ Ibid. Page 70.

Although ASEAN's mandate and operations have largely expanded over the years, ASEAN's current structure and basic principles have created several inefficiencies that must be addressed. ASEAN and its institutional framework and governing mechanisms face internal and external pressures and developments; as a result they need efficiency updates and restructuring. Nevertheless, it is a must to understand how ASEAN works. Consensus has fundamentally been ASEAN's basic principle for decision-making process. There was a multi-track, multi-speed approach, which was often used in implementing agreements. Typically, decisions are made only when agreement is unanimously reached by all ASEAN Member States.⁴²⁹

The principle of consensus decision-making is enshrined in Article 20 of ASEAN Charter, which also cites the importance of consultations to inform decisions, deferring to the ASEAN Leaders' Summit to resolve cases when consensus cannot be reached. Undeniably, consensus has worked well to date, particularly in dealing with political and security matters. However, regarding economic and social issues, consensus often creates unnecessary rigidities. In this regard, when looking at the EU's style of a qualified majority system, it can be seen as a better substitute to consensus for non-fundamental, operational decisions since it helps eliminate inefficiencies when resolutions need to be made.⁴³⁰ Certainly, this has been criticized widely over time, in particular when dealing with matters on a day-to-day basis since it could be used as avoidable delay tactic.

With regard to financial contributions, ASEAN Member States have made their contributions to the ASEAN Secretariat's budget. The budget is equally funded by ASEAN Member States regardless of their capacity or willingness to contribute. However, Cambodia, Lao PDR, Myanmar and Vietnam or CLMV countries are considered having limited financial resources available so they are entitled to contribute their budgets in accordance with low budgetary ceiling. ASEAN-5, which are Indonesia, Malaysia, the Philippines, Thailand and Singapore, have contributed to a total of 45.5 billion US dollars to date, this is equal to about 95 percent of the bloc's total financial commitment, which is around 48 billion US dollars.

⁴²⁹ Asian Development Bank Institute. ASEAN 2030: Toward a Borderless Economic Community. 2014. Page 194.

⁴³⁰ Ibid. Page 195.

The other five countries hold responsible for the remaining 5 percent based on diverse financial contributions.⁴³¹

At this stage, one can see that this creates financial constraint, which results in an intrinsic dependence on external funding from international donors. Although funds may be available, donor and ASEAN priorities do not always match. As a consequence, ASEAN is unable to independently accomplish its plans, and follow its strategies as decisions are distorted by accommodating requests from many external stakeholders contributing to the ASEAN's budget. One possible option is that, "if ASEAN is to become a mature and thriving institution, member countries should realize that the principle used in funding the budget is obsolete."⁴³²

Moreover, there are political issues among ASEAN Member States such as national sovereignty, which still remains strategically protected. This has an impact on ASEAN Member States' stance and perception in transferring sovereignty from national to regional agencies. It is important to note that in a decision-making system where fundamental issues require consensus, national sovereignty is highly protected, even when using qualified majority system for making decisions on operational issues.⁴³³

To compare with the EU, in 2012 the total ASEAN Secretariat budget was 16 million US dollars. In the same year, the European Commission (EC)'s budget was approximately 4.5 billion US dollars, which accounted for 280 times larger than that of the ASEAN Secretariat. When looking at manpower, the total personnel working for the European Commission was approximately 34,000, including 23,800 directly hired and 9,200 external consultants and service providers whereas the ASEAN Secretariat employed about 300 people, of which only 70 were professional staff.⁴³⁴

⁴³¹ Ibid. Page 196.

⁴³² Ibid. Page 197.

⁴³³ Ibid. Page 198.

⁴³⁴ Ibid. Page 201.

It is worth noting that different scopes and mandates of the ASEAN and the EU or even the EC are vastly different. Considering ASEAN's 620 million population, the amount is about 20 percent larger than the EU's population size of approximately 500 million. Even a dramatic increase in financial and human resources devoted to the ASEAN Secretariat from existing levels would be considered as an open-ended issue. For instance, let's say the budget rising from 16 million to 800 million US dollars; this amount will remain a small fraction compared with resources available to the European Commission.⁴³⁵

6.3 The EU and International Development Funding

The European Union and its 28 Member States together remains the world's biggest aid donor. The EU's international development budget is approximately 81.23 billion US dollars for the period 2014-2020. The EU development aid receives finance from the EU budget and from the European Development Fund.

In 2013, the EU and its 28 Member States provided around 60.48 billion US dollars in official development assistance; this was more than half of global official aid. It is widely known that the EU has long been a driving force for international cooperation in development. Not only does the EU provide financial support but it also pushes international debates forward. In 2011, in accordance with 'Agenda for Change', the EU adopted a strategy designed to transform the way it fought against poverty. It allowed funds to target those countries most in need and at a limited number of sectors where the greatest impact and results could be achieved. This ultimately aimed at empowering people, in particular the most vulnerable.⁴³⁶

⁴³⁵ Ibid.

⁴³⁶ European Commission. The European Year for Development – Citizens' views on development, cooperation and aid. January 2015. Retrieved from <http://ec.europa.eu/public_opinion/archives/ebs/ebs_421_en.pdf>. Page 4. Accessed on 29 June 2018.

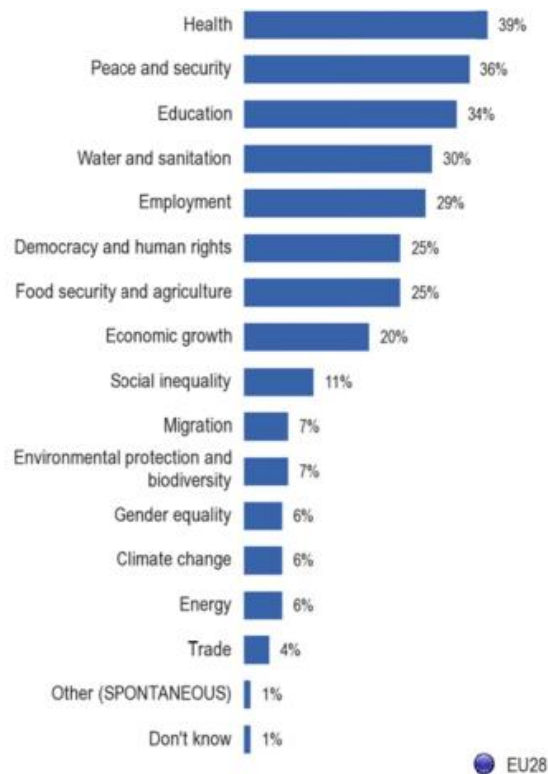


Figure 6.8: Which of the following challenges do you consider as the most pressing for the future of developing countries?

Source: European Commission. The European Year for Development – Citizens' views on development, cooperation and aid. January 2015.

According to Figure 6.8, issues of concern among Europeans when asked about most pressing issues for the future of developing countries, the top five concerns are Health accounted for 39 percent, Peace and security accounted for 36 percent, Education accounted for 34 percent, Water and sanitation accounted for 30 percent and Employment accounted for 29 percent. These challenges are interestingly considered more likely to be pressing than traditional issues like basic human needs such as Food security and agriculture, which accounted for 25 percent.

In response to this, selecting basic and fundamental factors which can potentially contribute to the study of well-being is academically and practically rational. Once again, it is worth emphasizing that health, education and employment are crucial for the development of ASEAN even though the degree of priority and needs are varied among ASEAN Member States. For instance, Singapore may not need much assistance in terms of technical and financial aspects for improving education, health and employment since it is considered a developed country whereas Myanmar still needs considerable assistance in nearly every sector of development, not only in terms of finance but also technical supports from ASEAN and from the EU.

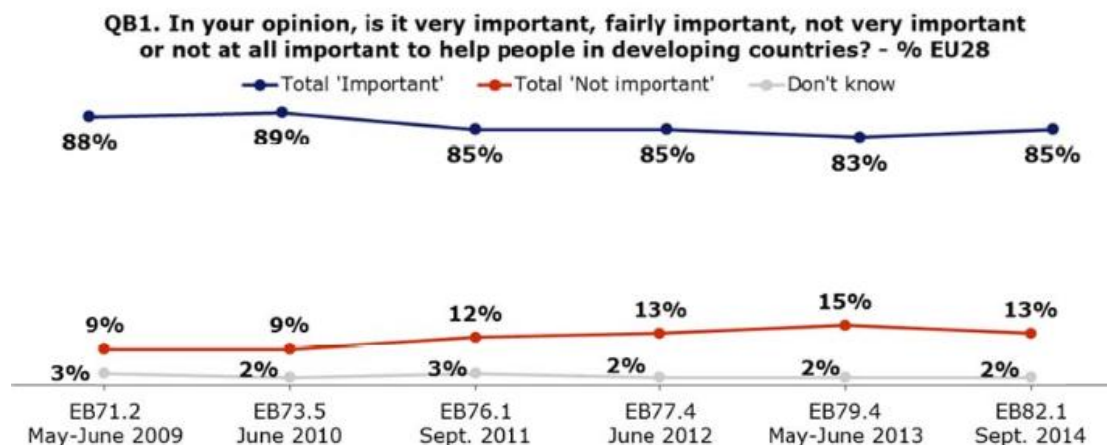


Figure 6.9: Perceived importance of helping people in developing countries

Source: European Commission. The European Year for Development – Citizens' views on development, cooperation and aid. January 2015

In accordance with the survey under Special Eurobarometer 421 and Figure 6.9, it is clear that most Europeans see the importance of helping people in developing countries. A majority of respondents also agree that tackling poverty in developing countries should be one of the EU's main priorities. Over the span of five years, during 2009 to 2014, the trend of 'red line' (not important) indicates that there is little change in respondents' opinion towards the importance in helping developing countries.

On the contrary, the 'blue line' (important) still indicates significant responses to the importance of helping people living in developing countries.

Overall, the EU confirms why development is critical for developing countries and regions. As the 2015 the EU pronounced it as the European Year for Development, it highlights important opportunity for the EU to build on this and inform citizens of the development challenges lying ahead, engaging in a debate with them.

Despite the fact that the EU continuing to face an economic uncertainty across the EU, there is still strong support for increasing development aid in almost all EU Member States, even in those where the economic crisis has hit particularly hard, such as Spain and Greece. Moreover, most Europeans agree “not only that helping developing countries should be one of the EU’s main priorities, but also that doing so would benefit Europeans and that providing aid is in the EU’s own interest.”⁴³⁷

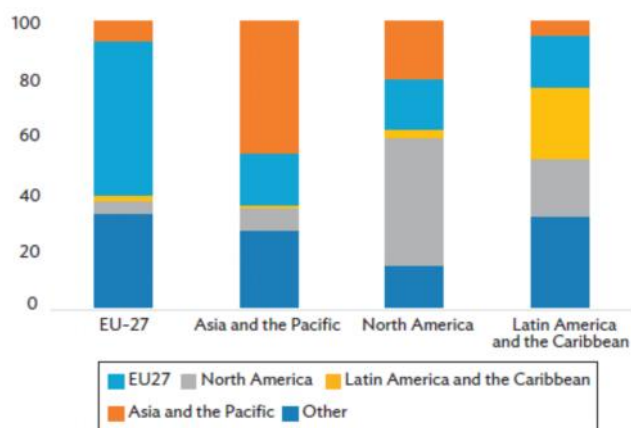


Figure 6.10: Regional Contribution to Value-Added—Selected Regions, 2012

Source: Asian Development Bank. Aid for Trade in Asia and the Pacific: Thinking Forward About Trade Costs and the Digital Economy. 2015.

⁴³⁷ European Commission. The European Year for Development – Citizens’ views on development, cooperation and aid. January 2015. Retrieved from <http://ec.europa.eu/public_opinion/archives/ebs/ebs_421_en.pdf>. Page 63. Accessed on 3 July 2018.

Let's look at the amount of Aid for Trade funding by the EU as appears in Figure 6.10. The EU's total expenditure as of 2015 was approximately 145,243.2 million euro. Related budget to helping developing countries was from 'Global Europe' category, which was accounted for only 0.1 percent of the total expenditure when compared with other areas of expenditure. These were 'Smart and Inclusive growth' accounted for 49.1%, 'Sustainable growth: Natural resources' accounted for 43.4%, 'Security and Citizenship' accounted for 1.5%, Administration' accounted for 5.7% and 'Special Instruments' accounted for 0.1%.⁴³⁸

To elaborate, the EU policy areas in relation to the budget for Global Europe "covers all external action (foreign policy) by the EU such as development assistance or humanitarian aid with the exception of the European Development Fund (EDF), which provides aid for development cooperation with African, Caribbean and Pacific countries, as well as overseas countries and territories. As it is not funded from the EU budget but from direct contributions from EU Member States, the EDF does not fall under the MFF."⁴³⁹

In terms of regions such as South and Central Asia, the EU contributed around 5,115 million US dollars in 2014 for development aid. Top 5 beneficiaries, as of 2014, were Turkey, Morocco, Afghanistan, India and Myanmar. Each one of them received 4,033,804,918 million US dollars, 1,803,211,840 million US dollars, 1,635,363,152 million US dollars, 1,540,180,951 million US dollars and 1,432,329,615 million US dollars respectively.⁴⁴⁰

6.4 ASEAN and Development Gaps

⁴³⁸ EU expenditure and revenue 2014-2020.

Retrieved from <http://ec.europa.eu/budget/figures/interactive/index_en.cfm>. Accessed on 5 July 2018.

⁴³⁹ The Multiannual Financial Framework explained.

Retrieved from <http://ec.europa.eu/budget/mff/introduction/index_en.cfm>. Accessed on 5 July 2018.

⁴⁴⁰ EU Top beneficiaries. Retrieved from <<https://euaidexplorer.ec.europa.eu/DevelopmentAtlas.do>>. Accessed on 5 July 2018.

With regard to financial assistance, it is worth looking at how much ASEAN Member States had received funding from the EU in 2014 as follows:

- *Myanmar received US 1,432,329,615 million dollars*
- *Indonesia received US 629,838,179 million dollars*
- *Vietnam received US 608,417,962 million dollars*
- *The Philippines received US 426,773,318 million dollars*
- *Cambodia received US 231,864,150 million dollars*
- *Lao PDR received US 94,828,815 million dollars*
- *Thailand received US 81,883,537 million dollars, and*
- *Malaysia received US 27,295,507 million dollars.*⁴⁴¹

Singapore and Brunei Darussalam are considered high-income countries so they are not regarded as developing countries even though they are ASEAN Member States; as a result they are ineligible for financial assistance under EU's development aid funding. Although low- and middle-income ASEAN Member States have seen poverty incidence reduced significantly, to achieve true prosperity, equitable and inclusive development must go hand in hand with economic growth. Poverty still remains widespread in CLMV countries and in many remote, poorly connected islands of archipelagic Southeast Asia. "Moreover, during the last decade, inequality has been rising between urban and rural areas and across income groups within countries. The drive to spread development opportunities equally for all has become a critical priority, both nationally and regionally."⁴⁴²

⁴⁴¹ Ibid.

⁴⁴² Asian Development Bank Institute. ASEAN 2030: Toward a Borderless Economic Community. 2014. Page 222.

Countries	Income Gap (A)		Income Gap (B)	
	2012	2030	2012	2030
Brunei Darussalam	48.8	17.9	11.2	6.4
Cambodia	1.1	1.0	0.2	0.4
Indonesia	4.1	3.1	1.0	1.1
Lao PDR	1.6	1.2	0.4	0.4
Malaysia	11.9	6.3	2.7	2.2
Myanmar	1.0	1.0	0.2	0.4
Philippines	3.0	1.6	0.7	0.6
Singapore	60.0	23.7	13.8	8.4
Thailand	6.2	4.5	1.4	1.6
Viet Nam	2.0	1.4	0.5	0.5
ASEAN	4.3	2.8	1.0	1.0
ASEAN-6	5.4	1.2	1.3	0.4
CLMV	1.5	3.4	0.4	1.2

Table 6.11: ASEAN Income Gaps

(Countries' gaps with lowest (A) and average (B) per capita GDP levels)

Source: Asian Development Bank Institute. ASEAN 2030: Toward a Borderless Economic Community. 2014.

Considering ASEAN regional development gaps, income gap evidently indicates that ASEAN Member states are facing a huge income gap. Brunei and Singapore's income per capita GDP level are much higher than that of the rest. This affects ASEAN Secretariat's budget and how realistic each member of ASEAN can manage to deal with issues at hand and when setting priorities.

Positions	2012	2020	2030	2012	2020	2030
	No. of people			Total Salary (\$)		
Professional Staff	67	419	511	4,434,000	38,792,699	76,770,487
- Secretary-General	1	1	1	150,000	306,308	498,943
- Deputy Secretaries-General	4	4	4	384,000	966,651	1,574,572
- Directors-General	0	9	11	0	1,482,303	2,951,074
- Directors	9	27	33	756,000	3,677,460	7,321,349
- Assistant Directors (Managers)	25	54	66	1,800,000	6,060,272	12,065,222
- Senior Officers (subject matter experts)	28	108	132	1,344,000	9,961,168	19,831,403
- Assistant Managers	0	216	264	0	16,338,538	32,527,925
Technical Staff	110	432	528	2,640,000	20,283,198	40,381,234
Local Supporting Staff	120	475	581	1,008,000	7,427,421	14,787,039
Total Personnel	297	1,326	1,620	8,082,000	66,503,318	131,938,760
Other Expenses				7,681,000	44,336,892	87,960,527
TOTAL BUDGET				15,763,000	110,842,230	219,901,317

Table 6.12: Estimated ASEAN Secretariat Budget in 2020 and 2030

Source: Asian Development Bank Institute. ASEAN 2030: Toward a Borderless Economic Community. 2014.

According to Figure 6.12, one can see that even the number of staff and total budgets projected to increase for the year 2020 and 2030; this seems to be incompatible with workload, accumulated needs for regional development and increasing population size of ASEAN, regardless of other critical factors that are potentially pressing each of ASEAN Member States individually, and regionally as a bloc.

When discussing about poverty, this is no stranger to ASEAN. To deliver well-being by alleviating poverty in one dimension is insufficient. Figure 6.13 below helps us to rationalize better why three key factors chosen in this thesis are of fundamental choice for ASEAN to address and to set as priority in agenda setting when pursuing cooperation with the EU in general.

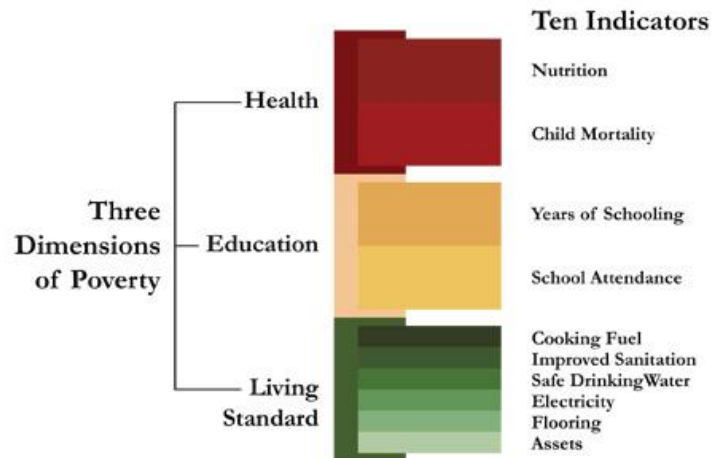


Figure 6.13: Global Multidimensional Poverty Index

Source: Oxford Poverty and Human Development Initiative. Global Multidimensional Poverty Index

What is the Global Multidimensional Poverty Index or MPI? It is an international measure of acute poverty covering over 100 developing countries. It complements traditional income-based poverty measures by capturing the severe deprivations that each person faces at the same time with respect to education, health and living standards.

Some highlights from this Global MPI are depicted as follows: “Cambodia’s poorest region of Preah Vihear and Steung Treng, 62% of people are poor whereas in Phnom Penh is of 7%. Vietnam’s poorest region of Northern Midlands and Mountain area, 14% of people are poor, whereas in Red River Delta its 3.8%. Thus once again the subnational statistics give detailed information which national aggregates cannot.”⁴⁴³

⁴⁴³ Oxford Poverty and Human Development Initiative. Multidimensional Poverty Index 2016. Highlights of East Asia and Pacific. Retrieved from <<http://www.ophi.org.uk/wp-content/uploads/MPI2016-EAP-Highlights.pdf>>. Page 1. Accessed on 8 July 2018.

It is no wonder why the development gaps within and among ASEAN Member States still exists and poses a great concern although the current situation of poverty eradication in ASEAN shows a sign of progress. Poverty is a matter for ASEAN to hold responsible collectively. However, when tackling poverty in a multi-dimensional manner as can be seen from Figure 6.13 above, it can feasibly help address other key factors like inequality in addition to health, education and employment as the three key factors selected in this thesis. The next section will investigate key selected projects/programmes, which will reflect how three key factors have been addressed by the EU and ASEAN.

6.5 Selected Programmes/Projects Representing Joint Collaborations between the EU and ASEAN

ASEAN Member States adopted the Joint Declaration on the Attainment of the Millennium Development Goals (MDGs) at the 14th ASEAN Summit on 1 March 2009, which signified the ASEAN Leaders' commitment to address key issues like gender inequality, promote sustainable development, among others, more seriously and collectively.

The former Secretary-General of ASEAN, Dr. Surin Pitsuwan, mentioned the importance of support provided by the EU by stating that “our heartfelt gratitude to our Development Partners, especially to the European Union through the EU-ASEAN Statistical Capacity Building (EASCAB) Programme - for their support, without which the publication of this Report would not have been achieved.”⁴⁴⁴ As a result, ASEAN produced the publication entitled ‘2011 ASEAN Statistical Report on the Millennium Development Goals’, which was a part of the EU-ASEAN Statistical Capacity Building (EASCAB) Program.⁴⁴⁵ This report featured the MDGs indicators as well as information on the narrowing development gaps which ASEAN achieved.

⁴⁴⁴ ASEAN. 2011 ASEAN Statistical Report on the Millennium Development Goals. Retrieved from <[http://www.asean.org/storage/images/2013/resources/statistics/statistical_publication/MDG%202012%20\(REV\).pdf](http://www.asean.org/storage/images/2013/resources/statistics/statistical_publication/MDG%202012%20(REV).pdf)> ,Page 3. Accessed on 9 July 2018.

⁴⁴⁵ ASEAN. Supported by the EU, ASEAN creates a breakthrough in harmonizing the region's statistics monitoring progress towards MDGs. Retrieved from <<http://asean.org/supported-by-the-eu-asean-creates-a-breakthrough-in-harmonising-the-region-s-statistics-monitoring-progress-towards-mdgs/>>. Accessed on 9 July 2018.

This report also summed up the performance of ASEAN in accordance with the UN's MDGs which pointed out success stories and collective efforts that were still needed to reduce gender inequality, promote sustainable development, eradicate diseases such as tuberculosis, and narrow the development gaps. In response to that, ASEAN commits to implement projects/programmes reflecting those needs via the cooperation between the EU and ASEAN to strengthen capacity of ASEAN stakeholders and key factors of well-being.

6.5.1 Seven projects/programmes contributing to well-being

This section will focus on seven key projects/programmes that have been implemented over the course of 2007-2016. Apart from the aforementioned facts and critical factors affecting well-being and three key factors depicted, this thesis finds that selecting projects/programmes representing the mutual interests and collaborations between the two regional blocs is the most efficient way to considerably analyze the tangible role of trade and development policy involved.

Criteria used in selecting the seven projects/programmes, which will be mentioned below, are as follows:

- Reflecting the implementation and translation of Trade and Development policy in relation to well-being
- Providing supports to ASEAN at regional level and/or ASEAN Member States at national level
- Addressing well-being dimensions in addition to sustainable development

Apart from two main theories and three approaches used in this thesis, in this chapter, a two-level of collaboration, macro and micro levels, is useful to help classify the relations through selected support programs. For a macro level, which means inter-regional relations at region to region level, selected support programmes by the EU are as follows:

1. *ASEAN Regional Integration Support by the EU (ARISE), budget 15 million euro, 2012-2016*
2. *ASEAN-EU Enhancing ASEAN Free Trade Agreement Negotiating Capacity Programme, budget 2.5 million euro, 2011-2013*
3. *Regional EU-ASEAN Dialogue Instrument (READI) Facility, budget 4 million euro, 2011-2014*
4. *EU-ASEAN Capacity Building Project for Monitoring Integration Progress and Statistics (COMPASS), first phase 2009-2013, second phase 2014-2018*

For micro-level support, selected projects/programmes which were provided by the EU to individual countries or ASEAN Member States (AMS) are as follows:

5. *Thailand, Policy Dialogue Facility covering Trade, Investment, Environment and Climate Change, Governance Programme, 3.75 million euro, 2013-2017*
6. *EU-Vietnam, Health Sector Policy Support Programme (HSPSP 1), budget 39.250 million euro, 2011-2015*
7. *EU-Indonesia, Education Sector Support Programme (ESSP), budget 201 million euro, 2010-2015*

6.5.1.1 ASEAN Regional Integration Support by the EU (ARISE), budget 15 million euro, 2012-2016

The ASEAN Regional Integration Support from the EU (ARISE) programme is a technical co-operation facility. It has been implemented over the four year period up to 2016, the purpose of ARISE is to support the implementation of key regional integration initiatives prioritized in the Master Plan for ASEAN Connectivity. This is to build the ASEAN single market and production base. The support is given to a variety of ASEAN bodies that include the ASEAN Secretariat, the Committee of Permanent Representatives and bodies such as the Coordinating Committee on ASEAN Trade in Goods Agreement,

the Coordinating Committee on Customs, the Coordinating Committee on Standards and Quality, working under the purview of the ASEAN Senior Economic Officials Meeting, the ASEAN Economic Ministers Meeting, the ASEAN Transport Ministers Meeting and/or the ASEAN Finance Ministers Meeting.⁴⁴⁶

The project aimed to address three components:

1. High level capacity building, including EU-ASEAN policy dialogue on connectivity, management of regional integration, and economic integration monitoring.
2. Support to the realization of the single market for goods, aiming at further harmonization of standards and transport and customs procedures, including the implementation of the pilot-ASEAN Customs Transit System on the north-south corridor from Singapore to Thailand.
3. ASEAN Secretariat capacity building, including improving management capacity.

The budget of 15 million euro is distributed according to:

- A technical assistance contribution of 7.5 million euro:
 - 2,640 days of key expertise for project life-long support;
 - 3,280 days of short term support; and
 - 2 million euro to cover incidental expenditure (travel, training, workshops).
- IT support of 3 million euro to the pilot ASEAN Customs Transit System.
- A grant to the ASEAN Secretariat of 3 million euro.
- Other supporting services such as audit and evaluation of 1.5 million euro.
- In-kind contribution from relevant EU Commission's Directorates General in the form of policy dialogue and sharing of experience.

⁴⁴⁶ ASEAN Regional Integration Support by the EU (ARISE). Retrieved from <<http://arise.asean.org/>>. Accessed on 14 July 2018.

This programme may not have addressed the three key factors directly, but it helps strengthen the capacity building of trade-related aspects and policy of ASEAN, in particular trade and economic integration. This in turn brings about positive effect on employment and education.

To analyze this project through the lens of 'Normative Power Europe', one finds that 'Transference' principle can best explain the EU position in delivering such assistance to ASEAN.

To elaborate, the EU's diffusion of norm, namely trade, regional integration knowledge and technical assistance with ASEAN through the means of financial and substantive channels express how 'Transference' is the EU's behavior towards ASEAN via this programme.

When using 'A Well-being Manifesto' concept to explain this project, it falls under 'Create an education system to promote flourishing' key principle. Since this project allows ASEAN officials to receive training as a result they have an opportunity to practice and increase their skills as well as building their capacity related to the harmonization of standards and transport and customs procedures from the EU specialists, there is no question that ASEAN officials would not benefit from this.

Although this key principle of 'A Well-being Manifesto' uses the term '...education system....', training is a form of education since it helps upgrading knowledge, sharing knowledge and improving skills. As a consequence, both ASEAN and the EU benefit from this project.

On top of that, there are Consortium partners who are from private sector involved in this programme. These are as follows:

- **AETS:** *Created in 1996, AETS specializes in technical advice and assistance in Risk Management. Its assignments are conducted for the benefit of national authorities, local institutions or private operators, in the context of international projects financed by multilateral organizations.*
- **AECOM / ACE Consultants:** *(formerly known as AECOM Technology Corporation) is an American multinational engineering firm that provides design, consulting, construction, and management services to a wide range of clients.*

- **FRATINIVERGANO** – *European Lawyers: is an independent law firm established in Brussels in 2007. The Firm has an important industry focus, its lawyers having significant experience in the sectors of EU and WTO law, particularly in the areas of dispute settlement, negotiations, WTO and EU litigation, EU competition law and policy, state aids and regulation of the sectors of agriculture, environment, food law and safety, electronic communications, postal services, regulated professions, gambling, transport and energy.*
- **QI:** *is a Spanish company with consolidated experience in the Consultancy and Technical Assistance sector. It provides services to public and private sectors and, in particular, to international donor organizations, namely: the EU, the World Bank, the Inter-American Development Bank (IDB) and the African Development Bank (AfDB).*
- **Transtec:** *is a leading European development consulting firm dedicated to delivering technical cooperation services for public, private and third sector organizations in developing economies. The firm supports these organizations to improve their governance – the process of decision-making and the process by which decisions are implemented.*⁴⁴⁷

One can see that, cooperation under ARISE project brings about positive dimension not only between an international organization like ASEAN and a supra-national organization like the EU but also private sector to share their strengths and to fulfill needs. In addition, “the European Commission will also know that European consultants and consultancy firms benefit from the funds to ASEAN as they are engaged in doing the work of the EU’s contribution.”⁴⁴⁸

⁴⁴⁷ ARISE. Consortium Partners. Retrieved from <<http://arise.asean.org/about-arise/consortium-partners/>>. Accessed on 15 July 2018.

⁴⁴⁸ Paul Joseph Lim. What has ASEAN offered or could offer to the European Union in their relationship? Retrieved from <<http://www.aseancenter.org.tw/upload/files/outlook008-03.pdf>>. Page 9. Accessed on 16 July 2018.

6.5.1.2 ASEAN-EU Enhancing ASEAN Free Trade Agreement Negotiating Capacity Programme, budget 2.5 million euro, 2011-2013

This programme helps facilitate ASEAN and the EU in collaborating FTA negotiation Skills. This is to enhance knowledge of ASEAN officials, academics, and private sector representatives on international trading rules on goods, special treatment for least developing countries and negotiating free trade agreements (FTAs) by arranging 4-day training workshop in Vientiane, Lao PDR.⁴⁴⁹

The programme also aims to develop ASEAN capacities for trade negotiations. The series of in-country training workshops is aimed at enhancing the understanding and implementation of multilateral and regional trade principles, policies and agreements provided for mid-level officials from Cambodia, Lao PDR, Myanmar and Viet Nam or CLMV countries. In this regard, CLMV countries are encouraged to select topics of most relevance to them.

Moreover, the training is planned to assist officials concerning the ASEAN+1 FTA Agreements. The workshop covered topics on multilateral and regional trade policy and negotiations in areas of trade in agriculture, sanitary and phyto-sanitary standards, technical barriers to trade, and new trade issues such as trade facilitation and labor standards in trade agreements. Participants of the workshop included officials from the ministries of commerce; agriculture, forestry and fisheries; industry, mines and energy; economy and finance (General Department of Customs and Excise), as well as representatives from the Chamber of Commerce.⁴⁵⁰

This programme directly benefits ASEAN officials from CLMV countries. Again, when using 'A Well-being Manifesto' concept to explain this programme, it falls under 'Create an education system to promote flourishing' principle.

⁴⁴⁹ ASEAN-EU Enhancing ASEAN Free Trade Agreement Negotiating Capacity Program. Retrieved from <<http://asean.org/asean-and-the-eu-collaborate-to-enhance-fta-negotiation-skills/>>. Accessed on 23 July 2018.

⁴⁵⁰ Enhancing ASEAN FTA Negotiating Capacity Programme Regional trade news round-up for the week ending: 16 November 2012. Retrieved from <<http://asean-eu-partnerprog.asean.org/wp-content/uploads/2013/04/Regional-Trade-Letter-Nov-16-2012.pdf>>. Page 2. Accessed on 23 July 2018.

Since this programme provides ASEAN officials with training as a result they have an opportunity to practice and increase their skills as well as building their capacity related to the FTA negotiation skills from the EU specialists.

In addition, this programme also reflects the principle of 'Create a well-being economy: employment, meaningful work and environmental taxation'. Having an FTA between two nations or two regions bilaterally can bring both prosperity and negative effects, to prepare counterpart is, therefore, vitally necessary. This reflects how trade and development policy can support each other.

When using 'Development Policy of the European Union' frame to analyze this programme, the principle of 'Trade for development' is able to explain the cooperation between the two regional groupings as in reality negotiation of FTA is a part of trade game. If a counterpart is not in a position to pursue any trade proposal, then the most appropriate way is to equip them with a better body of knowledge, understanding and a tool to do so. Whether or not the aim of programme is successfully reached, the EU's behavior to provide opportunity for ASEAN officials to learn about FTA negotiation skills is beneficial and it is considered as a part of development in relation to trade.

With regard to Game theory, this situation can fall under a non-zero sum game and trade game is led by development game. As a result, it is a strategy used by the EU and ASEAN, accepting the programme as stake to build negotiation capacity skills.

Development Game	ASEAN Using Development Policy as a pure strategy	ASEAN Using Development Policy with other policy as a mixed strategy
EU Using Development Policy as a pure strategy	Low, Low	Low, Low
EU Using Development Policy with other policy as a mixed strategy	Low, Low	High, High

According to the pay-off matrix mentioned above, it shows that both the EU and ASEAN use mixed strategy in making decision when cooperating under this ASEAN-EU Enhancing ASEAN Free Trade Agreement Negotiating Capacity Programme. 'Other policy' in this regard means Trade policy since the EU cannot pursue trade policy when its counterpart is not in a position to make decision or they basically are not ready to do trade. As a result, using a mixed strategy led by Development policy for the negotiation process will result in a more cooperative atmosphere.

6.5.1.3 Regional EU-ASEAN Dialogue Instrument (READI) Facility, budget 4 million euro, 2011-2014

READI is an initiative of the EU to support the ASEAN regional integration agenda. It supports the policy development process in non-trade related areas by supporting the ASEAN Community blueprints and drawing on European experiences and know-how through sectoral policy dialogue and knowledge development, thereby supporting the policy development process in non-trade related areas.⁴⁵¹

READI is basically aimed to support policy dialogues with ASEAN; thereby it connects the EU and ASEAN since both regional groupings are homes to the population size of at least 1.1 billion. The programme is structured in a flexible manner. The policy dialogues which READI supports are driven by the EU and ASEAN policy makers and the facility is jointly managed by the EU, through its Delegation based in Jakarta, and ASEAN, through the ASEAN Secretariat, also based in Jakarta.

To facilitate implementation of activities and policy formulation, a technical assistance team has been contracted through a consortium of consulting firms led by Altair Asesores with headquarters in Spain.⁴⁵²

The four-year READI programme had been completed in August 2015. Interestingly, the programme was composed of key thematic areas as follows:

- *Information and Communication Technology*
- *Science and Technology*
- *Disaster Management*
- *Education*
- *Human Rights*

⁴⁵¹ Regional EU-ASEAN Dialogue Instrument (READI). Retrieved from <<http://readi.asean.org/readi-2011-2015/2012-10-21-15-57-52/overview>>. Accessed on 25 July 2018.

⁴⁵² Ibid.

- *Capacity Building*
- *Climate Change*
- *Maritime Cooperation*
- *Election Observation*⁴⁵³

When using 'Normative Power Europe' theory to analyze this programme, one finds that nearly all principles fit to explain the EU's involvement with ASEAN. These are Informational Diffusion, Procedural Diffusion, Transference, Overt diffusion and Cultural filter. To elaborate, policy dialogues over key thematic areas mentioned above are evidence-based entity that the EU plays a significant role in delivering norms, values, technical expertise, presence, and knowledge sharing with ASEAN. As this initiative is focused on non-trade related areas of cooperation, Game theory can also be used to explain how development policy can play a leading role in making decision and pursuing inter-regional relations.

Development Game	ASEAN Using Development Policy as a pure strategy	ASEAN Using Development Policy with other policy as a mixed strategy
EU Using Development Policy as a pure strategy	High, High	Low, Low

⁴⁵³ Regional EU-ASEAN Dialogue Instrument (READI). Retrieved from <http://readi.asean.org/readi-2011-2015/>. Accessed on 28 July 2018.

EU		
Using Development Policy with other policy as a mixed strategy	Low, Low	Low, Low

In accordance with the aforementioned pay-off matrix, it is clear that both blocs use development policy to interact based on this programme. ASEAN benefits from development process through policy dialogues. EU-based private companies also receive an opportunity to contribute to this joint cooperation. This is a win-win situation. The EU and ASEAN clearly use development policy to settle agenda and implement this initiative.

Although the expected outputs and outcomes do not increase the amounts of trade, FDI and investment directly, one can see that the EU is undoubtedly a global leader by example in providing opportunities to others. The importance of education is subsequently stressed by H.E. Le Luong Minh, the current Secretary-General of ASEAN, as he referred to education as “the most effective way to move out the poverty trap and narrowing development gap.”⁴⁵⁴

6.5.1.4 EU-ASEAN Capacity Building Project for Monitoring Integration Progress and Statistics (COMPASS), budget 5,870,760 euro, 2014-2018

This is a project built on achievements of the EU-ASEAN Statistical Capacity Building Programme (EASCAB, 2009-2013). COMPASS helps ASEAN integration through the availability and utilization of more timely, comparable and relevant information.

⁴⁵⁴ Regional EU-ASEAN Dialogue Instrument (READI). Education. Retrieved from <<http://readi.asean.org/readi-2011-2015/activities/education>>. Accessed on 3 August 2018.

The project facilitates monitoring and decision-making, notably by ASEAN governments acting individually and at ASEAN level. The project runs from 2014 to 2018 with the support of a core team of three key experts and a team of short-term experts with extensive experience in the project fields and in the region.⁴⁵⁵

The project has two objectives, which are:

- *to support the development of the ASEAN Community Statistical System, in line with its Action Plan 2011-2015 and with those that follow, and*
- *to build the capacity of the ASEAN Integration Monitoring Office to monitor the process and results of regional integration on behalf of the ASEAN Member States.*⁴⁵⁶

Generally, the EU-ASEAN COMPASS helps ASEAN integration based on the realization of ASEAN Charter of 2008, the Roadmap for an ASEAN Community 2009-2015, as well as the ASEAN Connectivity Master plan of 2010 leading to a full ASEAN integration. Therefore, increasing capacity for implementing and monitoring these integration blueprints as well as statistical evidence to build integration policies is extremely useful for ASEAN leaders and officials.

It is worth mentioning that this project comprises project strategy and five key elements of focus. These are as follows:

1. Institutional Strengthening-The project helps institutional building within the ASEAN Secretariat and National Statistical Institutes, including advocacy for reform to maximize sustainability. Development and strengthening of institutional frameworks shall lead to a better recognition of statistics and integration monitoring in the region.

⁴⁵⁵ The EU. International Cooperation and Development. EU-ASEAN Capacity Building Project for Monitoring Integration Progress and Statistics (COMPASS). Retrieved from

http://ec.europa.eu/europeaid/projects/eu-asean-capacity-building-project-monitoring-integration-progress-and-statistics-compass_en>. Accessed on 5 August 2018.

⁴⁵⁶ Ibid.

2. Balanced intervention at the regional and at national level-COMPASS will focus on core regional statistics and integration monitoring issues with support at both regional and national level, and improved coordination and communication among ASEAN Community Statistical System main stakeholders. Assistance covers both horizontal sectors (Institutional Building, Information Technology and Dissemination) and statistical important for ASEAN integration monitoring (International Merchandise Trade Statistics, Statistics of International Trade in Services, and Foreign Direct Investment Statistics).

3. Narrowing development gaps-Specific measures will aim at narrowing the development gaps among ASEAN Member States through:

- Additional specific technical cooperation;*
- Access to high education statistics: long-term human resource development for staff from Cambodia, Lao PDR, Myanmar and Viet Nam to access higher education curricula in statistics in other ASEAN Member States;*
- ASEAN-Helps-ASEAN scheme: a facility to share good practices by secondment/exchanges of staff between the ASEAN Member States, and between ASEAN Secretariat and Member States.*
- Support to the ASEAN Secretariat, Cambodia, Lao PDR, Myanmar and Vietnam with IT equipment.*

4. Providing specific assistance to the ASEAN Integration Monitoring Office-Specific assistance will be provided to the ASEAN Integration Monitoring Office to define regional integration monitoring indicators, enhance management and analysis of data, and to regularly publish monitoring reports. This support aims at increasing the recognition of the ASEAN Integration Monitoring Office as a key actor to monitor the process and results of regional integration on behalf of the ASEAN Member States.

*5. Sharing best practices-The Project will continuously refer to the best practices of the European Statistical System and other international standards, especially with regard to the European Statistics Code of Practice and the developments linked to the new Vision for the production of statistics.*⁴⁵⁷

When using ‘A well-being manifesto for a flourishing society’ approach to analyze this initiative, one finds that the two principles, which are ‘Create a well-being economy: employment, meaningful work and environmental taxation’ and ‘Create an education system to promote flourishing’ can explain well. In addition, ASEAN has been intensifying its regional integration.

In response to this, ASEAN received assistance from the EU to enhance this effort via statistical capacity building as well as lifting ASEAN standard to meet international standard of statistics in terms of higher education so that CLMV countries can gain greater access. As a result, they can keep up with the rest of ASEAN Member States. This effort helps integration of ASEAN economy to be healthier in the longer-term. Moreover, the EU’s assistance to building capacity on human resources development and technical cooperation led to strengthening ASEAN officials’ capacity, Member States and CLMV as a whole. The whole initiative is about enhancing integration progress and statistical monitoring system as modern and accurate as much as possible. In light of this, it reflects the principle of ‘Create an education system to promote flourishing’ in accordance with ‘A well-being manifesto for a flourishing society’ concept. Even though it is untraditional meaning of education, but training and capacity building is one technique underpinning holistic education.

With regard to ‘Development Policy of the European Union’ theory, three principles ‘Trade for development’, ‘Regional integration and cooperation’ and ‘Strengthening institutional capacity’ help explain this initiative between the two blocs.

⁴⁵⁷ EU-ASEAN Capacity Building Project for Monitoring Integration Progress and Statistics. Retrieved from <<http://compass.asean.org/about/overview/>>. Accessed on 13 August 2018.

COMPASS's Project strategy one and two as well as their key elements, which say 'Institutional Strengthening...' and 'Balanced intervention at the regional and at national level...' express the tangible examples of 'Strengthening institutional capacity' and 'Regional integration and cooperation' principles.

Considering 'Strengthening institutional capacity' principle, the EU's effort helped ASEAN as a whole to upgrade its statistical system both at human resource level and system level. This is to meet the current and future demands of accurate data, monitoring and simultaneous responsiveness. Concerning 'Regional integration and cooperation' principle, the EU is committed to helping ASEAN in regional integration process since ASEAN still lags behind in many dimensions when compared to the EU.

Although the EU and ASEAN are major partners in trade and investment as statistics shown, cooperation in development areas create greater partnership and trust. It is worth noting here that ASEAN does not totally follow the EU's model of integration, rather the EU inspires ASEAN in doing so. To re-emphasize, Dr.Surin Pitsuwan, former Secretary-General of ASEAN, states that "...because ASEAN (integration) has not been on the same level of intensity. We go very incrementally and step by step. We did not go for full integration—making the entire ASEAN one economic or political unit. In that sense, we have room for adjustment. And I have always said, the EU has been our inspiration but not our model..."⁴⁵⁸

6.5.1.5 Thailand-European Union Policy Dialogues Support Facility (PDSF)

Programme, 3.75 million euro, 2013-2017

The Thailand-European Union Policy Dialogues Support Facility or PDSF in short is a programme funded by the EU to help the country further advance its cooperation with the EU towards achievement of sustainable economic and social development goals and global integration covering Trade, Investment, Environment and Climate Change, Governance.

⁴⁵⁸ Nikkei Asian Review. Brexit will not hinder ASEAN integration, Surin Pitsuwan says. Retrieved from

<<http://asia.nikkei.com/Politics-Economy/International-Relations/Brexit-will-not-hinder-ASEAN-integration-Surin-Pitsuwan-says>>. Accessed on 13 August 2018.

The PDSF programme started on 15 August 2013 and ended on 15 February 2017. It was implemented by a consortium composed of Thai and EU partners such as GOPA Consultants, Development Solutions, Sustainable Development Association and the Franco-Thai Chamber of Commerce. The programme provided support for activities of mutual benefits to Thailand and the European Union.⁴⁵⁹

Four strategic areas are as follows:

1. Trade and Investment

- *Support deepening of bilateral trade relations, including EU-Thailand Free trade agreement*
- *Support to address non-tariff barriers (SPS, TBT, product standards)*
- *Support strengthening trade facilitation*
- *Support development of the creative economy*

2. Higher education and science and technology

- *Internationalization of Higher Education*
- *Strengthen university management*
- *Strengthen human resources development*
- *Science & Technology (S&T) and Innovation*

⁴⁵⁹ Thailand-European Union Policy Dialogues Support Facility. Retrieved from <http://thailand-eupdsf.org/aboutus/>. Accessed on 18 August 2018.

3. Environment, climate change and energy

- Support sustainable consumption and production and trade*
- Support the transition to low carbon economy and climate change mitigation and adaptation*
- Support Thailand's involvement in Multilateral Environmental Agreements (MEAs)*

4. Good governance and Human rights

- Support initiatives to address regional disparities, inequity, migration as well as to promote democracy, human rights and the rule of law⁴⁶⁰*

This programme addresses key strategic areas that are currently facing Thailand. Thailand is currently under the implementation of the National Economic and Social Development Board Plan (NESDB 12th Plan).

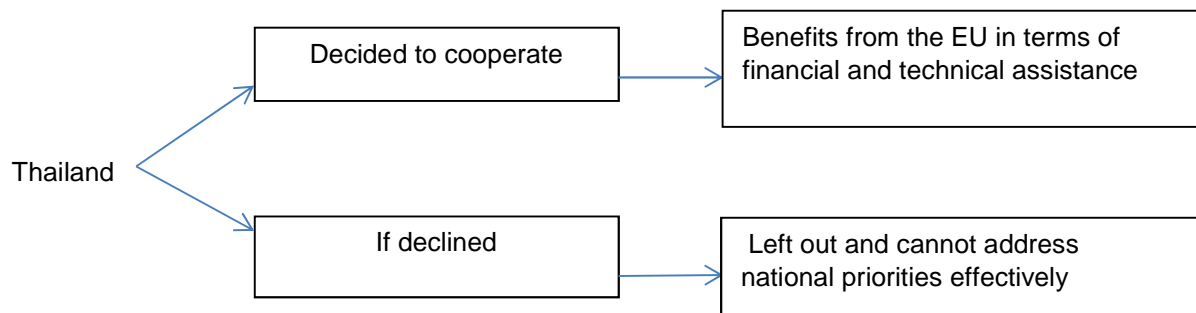
However, this programme reinforces NESDB 11th Plan, covering the period 2011-2016, which was aimed at creating growth around people-centered development and multi-dimensional factors of well-being of the country, so these key strategic areas potentially helped the country to keep up with changes and challenges at global level.

For instance, FTA between Thailand and the EU has been put on hold since the military junta took power after coup d'état. However, Thailand still intends to pursue bilateral agreement with the EU over this matter. Aside from that, creative economy is another area that Thailand is actively interested since it is linked to science, technology and innovation opportunities for R&D provided by Horizon 2020. Moreover, there are new knowledge and concerns that are pressing Thailand, which are climate change, low carbon economy, human rights, democracy, inter alia.

⁴⁶⁰ What is EU-Thailand PDSF? Retrieved from <<http://thailand-eupdsf.org/index.php>>. Accessed on 19 August 2018.

These pinpoint to the EU's norm, values transference as well as technical assistance provided to ASEAN. This can fall under 'Normative Power Europe' in which 'Transference', 'Cultural filter' and 'Overt diffusion' principles as Thailand has been affected by the impact of international norms, social and political learning led by the EU in addition to global phenomena.

This also reflects cooperative game in that Thailand decided to cooperate rather than decline since it benefits from this cooperation with the EU as decision-making tree illustrated below.



In this regard, it is worth mentioning a threat of trade ban if Thailand continues to turn a blind eye and a deaf ear on illegal fishing as a result of Thai fishing industry received the yellow card by the EU, under IUU regulations. Although it is estimated that the industry is worth 7 billion US dollars per year, the industry has been seen as abusing human rights, destroying environment, overfishing, trafficking labor from neighboring countries, and harming traditional fishing.

This is considered an external pressure from a global community, particularly from the EU. There are many international players like international labor body, environmental and human rights organizations, including Human Rights at Sea; urging the EU Commissioner for Fisheries, Maritime Affairs and Environment, Karmenu Vella, to maintain pressure on Thailand on human rights abuses in the nation's fishing industry. "The aim is to convince Thailand to build upon positive reforms that have recently been made to its fishing industry, to ensure that the reforms have longevity and to address the structural problems that facilitate illegal, unreported and unregulated (IUU) fishing and human rights abuses."⁴⁶¹

⁴⁶¹ The Maritime Executive. E.U. Urged to Act on Thai Fishing Slavery. Retrieved from <<http://www.maritime-executive.com/article/eu-urged-to-act-on-thai-fishing-slavery>>. Accessed on 20 August 2018.

In 2013, Thailand's global fish exports were valued at 7 billion euro. "Last year, 642 million euro of that catch – weighing 145,907 tons – was destined for European dishes, where it made up over 3% of the continent's overall fish imports."⁴⁶² In this regard, Thai tuna industry has been criticized harshly for its link to slavery, shocking human rights abuses and dirty business. Employment under this circumstance received a greater concern, which is "instead of true employment, men and boys are sold as slaves by brokers and smugglers to fishing captains in Thai ports in need of labor. Once sold, these men and boys...enter a modern form of indentured servitude where they are required to work to pay off the price the captains paid to purchase them"⁴⁶³

On the contrary, one should be aware that, by its nature of the fisheries sector, it is labor intensive type of job and thus provides job opportunities for Thai citizens as well as attracts a large number of migrant workers from neighboring countries especially Cambodia, Lao PDR and Myanmar.

Subsequently, the fisheries sector generates employment for over 650,000 workers in fishing industry, processing, and related sectors. Nevertheless, there is still a shortage of workforce in the fisheries sector.⁴⁶⁴

In response to this situation, the Royal Thai Government has been addressing this concern by joining efforts and increasing involvement with various key players ranging from the Ministry of Agriculture and Cooperatives, the Department of Fisheries (DOF), the International Labor Organization (ILO) and concerned organizations/agencies both public and private, in particular the Ministry of Labor (MOL) via its Department of Labor Protection and Welfare and Department of Employment.

⁴⁶² IUU Watch. EU threatens Thailand with trade ban over illegal fishing. 21 April 2015. Retrieved from

<<http://www.iuuwatch.eu/2015/04/eu-threatens-thailand-with-trade-ban-over-illegal-fishing/>>. Accessed on 25 August 2018.

⁴⁶³ Asian Correspondent. Thailand: World's largest canned tuna company linked to slavery. Retrieved from <https://asiancorrespondent.com/2015/10/thailand-worlds-largest-canned-tuna-company-linked-to-slavery-environmental-crimes/>>. Accessed on 25 August 2018.

⁴⁶⁴ Thailand Good Fisheries Labour Practices. Promoting Better Works in Thai Fisheries Industry. Retrieved from <<http://www.fisheries.go.th/thgflp/index.php/4-promoting-better-works-in-thai-fisheries-industry>>. Accessed on 25 August 2018.

Concerted action is aimed at promoting and implementing the better working conditions in fishing, shrimp and seafood industry in accordance with:

1. Establishment of Good Labor Practices (GLP) for the fishing industry with the objective of developing “Operational Guidelines” and manuals on good working conditions for Thai fishing vessels that focus on recruitment, employment, and welfare of both Thai and migrant workers;

2. Development of training manuals and conduct of training courses on safety at sea particularly for workers in Thai fishing fleets, in collaboration with various organizations and agencies, such as the Marine Department of Thailand, ILO, Southeast Asian Fisheries Development Center (SEAFDEC), FAO, and the National Fisheries Association of Thailand;

3. Revision of the Ministerial Notification related to the protection of workers in sea fishery;

4. Conduct of training seminars on GLP and Hazardous Work List (for work protection of youth workers between 15 and 17 years old) in fishing industry for government officials/staff and fishers;

5. Development of Good Labor Practices (GLP) for shrimp and seafood industry, which covers the practices in shrimp farming, pre-processing and processing shrimp and seafood factories with the cooperation of ILO and private sector mainly the Thai Frozen Food Association;

6. Development of GLP Shrimp Peeling Shed model by applying GLP and quality control systems in the Peeling Shed Model; and

7. Establishment of the Labor Coordination Center (i.e. Recruitment Center) in collaboration with the Ministry of Labor and the National Fisheries Association of Thailand.⁴⁶⁵

⁴⁶⁵ Ibid.

From a positive point of view, it is an opportunity for Thailand to clean up the fishing industry. As a consequence, it can ensure the well-being of workers throughout the supply chain, following the concept of sustainability, traceability and equity introduced by Greenpeace.⁴⁶⁶

As a consequence, cooperation under this PDSF programme can be a platform to not only exchanging facts and best practices, sharing technical knowledge of non-tariff barriers, sustainable consumption, among others, but also assessing impact, updating the current situation of progress made by Thailand over IUU matters. Therefore, frames of cooperation under the PDSF programme could offer solutions to the illegal fishing from many dimensions.

6.5.1.6 EU-Vietnam, Health Sector Policy Support Programme (HSPSP 1), budget 39.250 million euro, 2011-2015

The overall objective of this programme is to contribute to the improvement of the health status of the population especially for the poor and most vulnerable through a more effective, efficient and equitable health system. The specific objective is to support the implementation of the five year health plan (2011-2015) of the Government of Vietnam, which addresses the 6 building blocks of a health system (WHO), which are: 1) Governance; 2) Health financing; 3) Biological products, pharmaceuticals, vaccines, medical equipment and technologies; 4) Health workforce; 5) Health information system, and 6) Service Delivery.⁴⁶⁷

⁴⁶⁶ Greenpeace Southeast Asia. What's inside the can? From Sea to Can: Thailand Canned Tuna Ranking. Retrieved from <http://www.greenpeace.org/seasia/th/PageFiles/705030/Thailand-Canned-Tuna-Ranking_EN.pdf>. Page 2. Accessed on 27 August 2018.

⁴⁶⁷ EU – Vietnam Health Sector Policy Support Programme (HSPSP-1). Retrieved from <http://ec.europa.eu/europeaid/projects/eu-vietnam-health-sector-policy-support-programme-hspsp-1_en>. Accessed on 28 August 2018.

In general, the EU's cooperation with Vietnam has started since the 1990s. The EU has been playing a significant role in supporting Vietnam to alleviate poverty and the country's integration into the world economy. In particular, development cooperation between the two counterparts began with support for the return of Vietnamese asylum seekers. Since then, the European Commission has provided more than 600 million euro in grants for specific projects and programmes, mainly in the area of education and health, rural development, governance and economic cooperation. Moreover, Vietnam is the European Investment Bank's leading per capita beneficiary in Asia in which more than 500 million euro in concessional loans have been agreed in the last 10 years. Currently, EU development cooperation with Vietnam focuses on support to Vietnam's programmes to address poverty and support the health sector. In addition, the EU provides trade-related assistance and support to the justice sector and civil society. For the period 2007-2013 alone, bilateral assistance from European Commission to Vietnam amounted to 304 million euro.⁴⁶⁸

Why health for Vietnam?

The maternal mortality ratio in Vietnam is estimated to be 68 per 100,000 live births. The under-five mortality rate stands at 25 per 1,000 live births and the infant mortality rate is less than 16 per 1,000 live births. Malnutrition rate of children under-five is 18 percent.

According to the Center for Disease Control and Prevention (CDC), the populations of Vietnamese, as of 2014, reached 91,714,080. Life expectancy at birth for women and men were 76 per 71 years accordingly. Concerning infant mortality rate, it was 16 per 1,000 live births.⁴⁶⁹

⁴⁶⁸ Ibid.

⁴⁶⁹ Center for Disease Control and Prevention (CDC). Global Health-Vietnam. Retrieved from <<https://www.cdc.gov/globalhealth/countries/vietnam/>>. Accessed on 30 August 2018.

In accordance with the World Health Organization (WHO), as of 2015, the total population of Vietnam was 93,448,000. Life expectancy at birth, the ratio of male versus female was 71 per 81. Concerning probability of dying, male and female aged between 15 and 60 years per 1,000 populations was 189 per 69.⁴⁷⁰

All this suggests that Vietnam is performing considerably well. However, Vietnam still faces significant disparities in most of the key health indicators between the poor Northwest and Central Highlands regions, and the rest of the country. In this regard, the EU intervenes by the European Commission supporting the health sector via two projects which are Health Care Support to the Poor of the Northern Uplands and Central Highlands Project (HEMA) and Health Sector Capacity Support Project (SCSP), totaling 32.75 million euro. On top of this, Vietnam receives assistance from Global Fund for Tuberculosis, AIDS and Malaria, of which the EU is the biggest donor; under this there are nine projects have been implemented in Vietnam with a total budget of 95 million euro.⁴⁷¹

Consequently, the focus will be based upon HSPSP programme, which is considered successful. From HSPSP phase one, now it is further continued into HSPSP phase two, as Deputy Minister of Health, Pham Le Tuan, said that “by the success of the first phase of HSPSP (HSPSP-1), the EU has decided to continue its support for the second phase with a goal to develop Vietnam's healthcare system towards equity and efficiency.”⁴⁷²

This key milestone was confirmed its importance by the fact that the EU and Vietnam celebrated their 20 years of cooperation for improved healthcare in Hanoi on 17 November 2015. The ceremony was attended by Vietnamese Minister of Health, Nguyen Thi Kim Tien, and European Commissioner for International Co-operation and Development, Neven Mimica.

⁴⁷⁰ World Health Organization (WHO). Country-Vietnam. Retrieved from <<http://www.who.int/countries/vnm/en/>>. Accessed on 31 August 2018.

⁴⁷¹ European Commission. EU development cooperation with Vietnam. Retrieved from <http://europa.eu/rapid/press-release_MEMO-12-222_en.htm>. Accessed on 31 August 2018.

⁴⁷² EU-funded health policy support programme enters phase 2. 18 September 2015.

Retrieved from <<http://en.vietnamplus.vn/eufunded-health-policy-support-programme-enters-phase-2/81905.vnp>>. Accessed on 31 August 2018.

The EU Commissioner stressed that “over the last 20 years the EU has been an important partner of the Ministry of Health with increasingly strengthened partnership through activities with the common goal of building a fair, efficient and improved health system.”⁴⁷³

Moreover, “support added from the EU and its member states have contributed significantly to improving the quality and access to health services to help improve the health of Vietnamese people. Currently, the EU has decided to continue funding for the second phase of HSPSP from 2015-2019 with the non-refundable aid of 114 million euro. The EU is also committed to supporting Viet Nam in achieving sustainable development goals in the health sector under the United Nations standards, contributing to Viet Nam’s socio-economic development and improving people’s quality of life.”⁴⁷⁴

Phase II of HSPSP is interesting since the budget has been increased to 100 million euro, covering 2015-2019. The general objective of this programme is to sustain poverty alleviation and inclusive economic growth in Vietnam. This is implemented through the provision of support for the development of a Vietnamese health care system leading towards equity, efficiency and improved quality in line with the country’s health sector strategy.

The specific objective of the programme is to support the timely achievement of key sector policy objectives as laid out in the 5-year plan for the health sector (2011-2015). It will also contribute to the development and implementation of health policy and planning for the period 2016-2020. Therefore, the support will focus on:

- *Progress towards universal health coverage; and*

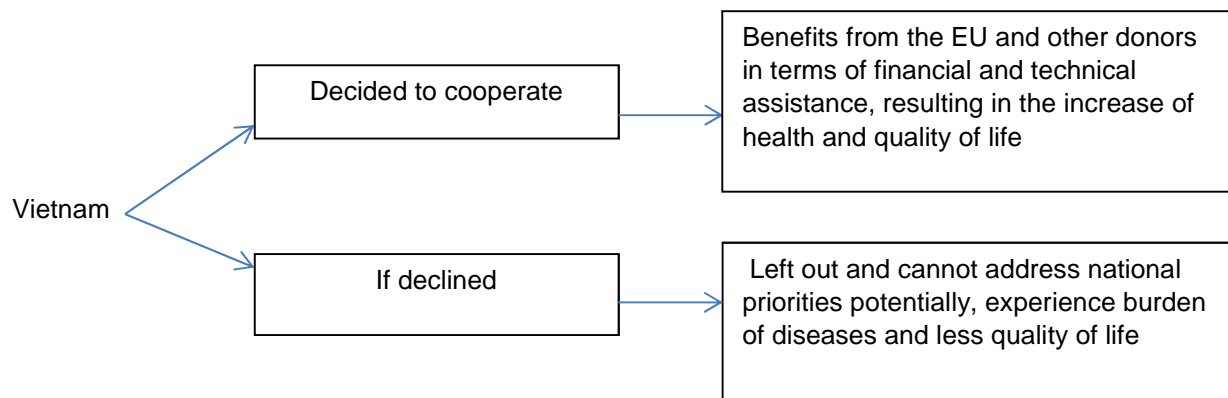
⁴⁷³ VN, EU mark 20th anniversary of co-operation in public healthcare. 17 November 2015. Retrieved from <<https://www.vietnambreakingnews.com/2015/11/vn-eu-mark-20th-anniversary-of-co-operation-in-public-healthcare/>>. Accessed on 2 September 2018.

⁴⁷⁴ Ibid.

- *Improvement of availability and quality of services at lower levels (district and communes), thereby contributing to the reduction of hospital overcrowding.*⁴⁷⁵

The emphasis on equity will be given by focusing on 10 provinces considered to be the poorest. These are Lai Chau, Son La, Dien Bien, Kon Tum, Gia Lai, Ha Giang, Lao Cai, Cao Bang, Yen Bai and Dak Nong provinces.⁴⁷⁶

One can see that Vietnam is very active in the health sector and this also reflects a non-zero sum game, i.e. cooperative game, in that Vietnam decided to cooperate rather than decline since it hugely benefits from this cooperation with the EU as decision-making tree illustrated below.



This programme also fits the descriptions of the principles under 'Normative Power Europe' theory. These are 'Informational Diffusion', 'Transference', 'Cultural filter' and 'Overt diffusion' principles as Vietnam has been affected by the impact of national needs regarding health concerns in connection with international and regional pressures.

⁴⁷⁵ EU International Cooperation and Development. EU-Vietnam Health Sector Policy Support Programme HSPSP-2. Retrieved from

<https://ec.europa.eu/europeaid/projects/eu-vietnam-health-sector-policy-support-programme-hspsp-2_en>. Accessed on 3 September 2018.

⁴⁷⁶ Ibid.

In addition, there are norms, social and political learning led by the EU and global phenomena for Vietnam to seriously consider for the overall well-being of its people. These create opportunities for Vietnam to correspondingly make decision in response to severe health risks:

“Vietnam is experiencing a double burden of diseases, including both infectious (HIV/AIDS, bird flu, dengue fever, food poisoning, etc.) and non-communicable diseases (cancer, cardiovascular diseases, etc.), and is predicted to be greatly impacted by climate change in the future.”⁴⁷⁷

How is Vietnam’s rational behavior in line with Normative Power Europe?

Informational Diffusion—it is over 20 years that the EU and Vietnam have been co-operating in the area of health sector. This shows how health is of strategic topic, top agenda and means of communication between the two partners. As a result, it affects policy implementation and new policy proposal in addition to central agenda setting.

Transference—the EU’s financial and technical assistance has been put in place in health sector as well as other sectors for over 20 years in Vietnam. Moreover, it leads to settling cooperation with other international organizations and other countries in helping Vietnam and contributing to a better performance of the country.

Cultural Filter—Vietnam realizes the EU’s values and norm for over two decades since the inception of bilateral ties. Knowledge construction between the two counterparts creates positive impact on health sector. Not only has the cooperation been beneficial for Vietnam and the EU, but it spills over to educational institutions based in Vietnam and in Sweden. This can be seen from the following excerpt:

⁴⁷⁷ Lars Weinehall. Global Health Action. February 2013. Retrieved from <<http://www.globalhealthaction.net/index.php/gha/article/view/20446>>. Accessed on 5 September 2018.

“Research cooperation between the two countries is essential to develop common knowledge and to find strategies to move from words to action. Therefore, the collaborative research spanning more than 10 years between the Hanoi Medical University (HMU), Vietnam, and Epidemiology and Global Health (EGH), Umeå University, Sweden, plays an important role...”⁴⁷⁸

Overt diffusion—the presence of the EU appears in Vietnam for over twenty years. The EU delegation to Vietnam office is good evidence by confirming the EU’s presence and further pursuing relationship with Vietnam. Thematic areas of cooperation to support local government and civil society organization partners are such as women and children’s rights, trade unions, climate change, energy efficiency, governance, nuclear safety to promote interventions at local level, local authorities and local civil society capacity building, technology transfer, exchange of knowledge, inter alia.⁴⁷⁹

One can see that, apart from health, Vietnam looks forward to enhancing and empowering its diverse social and economic factors as well. Bilateral agreements based on the Framework Agreement on Comprehensive Partnership and Cooperation (PCA) in 2012, and the recent conclusion of the negotiations of the Free Trade Agreement (FTA) in December 2015, concerning the partnership between the EU and Vietnam are regarded two key milestones and directions for both parties. In this regard, Ambassador Bruno Angelet, Head of the Delegation of the European Union to Vietnam, reiterated that

“...the year 2016 marks the 26th anniversary of the establishment of bilateral diplomatic relations between the EU and Vietnam. Emerging from a long period of conflict, during those 26 years, Vietnam has experienced impressive economic growth. The country underwent significant social changes and has become a middle-income country. Vietnam is an important player within ASEAN. The EU and its Member States accompanied Vietnam on this journey, as major donors contributing to Vietnam’s development, while strengthening and deepening bilateral ties through

⁴⁷⁸ Ibid.

⁴⁷⁹ EU Delegation to Vietnam. EU Projects with Vietnam. Retrieved from <https://eeas.europa.eu/delegations/vietnam/1898/eu-projects-with-vietnam_en>. Accessed on 9 September 2018.

*trade and investment, training and education, governance, and increased cooperation in foreign policy...*⁴⁸⁰

Refocus the National Health System (NHS) to promote complete health' principle under 'A Well-being Manifesto for a Flourishing Society' frame of thought also helps explain Vietnam's positioning in health. With evidence discussed above and cooperation with the EU, Vietnam intentionally makes efforts and keeps up with socio-economic determinants to health and potential challenges vis-à-vis health issues for the complete health system of the country. In addition, Vietnam is reviewing a lesson learned from the implementation of the 5-year health sector plan for 2011-2015 and evaluating progress towards universal health coverage, focusing on financial risk protection, service coverage and equity.⁴⁸¹

On top of this, Vietnam has recently released the national strategic plan on health, which is entitled 'Viet Nam Integrated One Health Action Strategic Plan for the period 2016-2020: One Health approaches to diseases of public health concern of animal origin.' To elaborate, 'One Health approach' is "a key element of overall international efforts on the Global Health Security Agenda (GHSA), a global effort of almost 50 countries, including Viet Nam, as well as international organizations and other partners, aiming for a world safe and secure from global health threats posed by infectious diseases."⁴⁸²

One can see that Vietnam is consistent and proactive in coping with health challenges. Moreover, the country's efforts demonstrate strong commitment and positive direction in connection with the EU's Strategic Plan 2016-2020: DG Health & Food Safety, which seeks to promote EU values and standards globally as well as trade relations, among other objectives.⁴⁸³

⁴⁸⁰ EU Delegation to Vietnam. About the EU Delegation to Vietnam. Retrieved from <https://eeas.europa.eu/delegations/vietnam/1896/about-the-eu-delegation-to-vietnam_en>. Accessed on 12 September 2018.

⁴⁸¹ WHO. Universal Health Coverage Partnership. Vietnam. Retrieved from <<http://uhcpartnership.net/country-profile/vietnam-2/>>. Accessed on 12 September 2018.

⁴⁸² Vietnam Integrated One Health Action Strategic Plan for the period 2016-2020: One Health approaches to diseases of public health concern of animal origin. Draft version 1.1, as of 13 May 2016. Page 6.

⁴⁸³ European Commission. EU's Strategic Plan 2016-2020: DG Health & Food Safety. Retrieved from <http://ec.europa.eu/atwork/synthesis/amp/doc/sante_sp_2016-2020_en.pdf>. Page 8. Accessed on 13 September 2018.

**6.5.1.7 EU-Indonesia, Education Sector Support Programme (ESSP), 201
million euro, 2010-2015**

Currently, Indonesia primarily focuses on education, then trade and investment, globalization and law enforcement. The country is considered a lower-middle income country with a population of about 220 million, its gross domestic product (GDP) and employment levels have recovered from the 1997 Asian financial crisis, but a majority of the population continues to live in poverty, half of this live on less than 2 euro a day. Consequently, Indonesia is working towards the Millennium Development Goals (MDGs); in particular those related to poverty alleviation, this is the objective of EU cooperation. The country also faces major environmental challenges and general weaknesses in governance.

Cooperation between the EU and Indonesia was primarily based on EU-Indonesia Strategy Paper 2007-13, which outlined cooperation priorities with a budget of 248 million euro for the first four years. Key areas were 1) basic education, 2) trade and investment, and 3) law enforcement and judicial reform (in particular good governance). In addition, the EU provided 30 million euro of support to assist reconstruction, following an earthquake in Java. Indonesia is also a key beneficiary of Commission programmes which support the integration of the ASEAN and also benefits from other EU regional and thematic programmes.⁴⁸⁴

Following that, the EU-Indonesia Partnership and Cooperation Agreement (PCA), which is considered a wider framework for cooperation, produces closer development cooperation between the two counterparts. The PCA provides opportunity to expand EU engagement in numerous fields. Four priorities for closer cooperation, which have already been agreed at the highest level, are education, human rights/democracy, trade and investment and the environment.⁴⁸⁵

⁴⁸⁴ EU International Cooperation and Development. Indonesia. Retrieved from
<https://ec.europa.eu/europeaid/countries/indonesia_en>. Accessed on 16 September 2018.

⁴⁸⁵ EU-Indonesia Development Cooperation – a focus on Education. Retrieved from
<http://europa.eu/rapid/press-release_MEMO-10-206_en.htm?locale=en>. Accessed on 16 September 2018.

Why education for Indonesia?

The Education Sector Support Programme (ESSP) is aimed at supporting Indonesia's efforts towards achieving the quality education related to Millennium Development Goals and providing nine years of quality education for all children by 2015. This programme involved external partners as implementing partners, which are ADB and AusAID.⁴⁸⁶

The current situation of education in Indonesia is worrisome. Therefore, education is central to the Indonesian Government's development agenda. Budget and spending on education has increased significantly since the economic crisis. In fact, education spending doubled between 2000 and 2006. In 2007 alone, spending on education was more than any other sector, reaching an equivalent 14 billion US dollars, or more than 16 percent of total government expenditure. This accounted for 3.4 percent of GDP. The school system in Indonesia is also complicated, immense and diverse. There are approximately 50 million students, 2.6 million teachers in more than 250,000 schools. This is considered the third largest education system in the Asia region and the fourth largest in the world behind China, India and the United States of America.

Moreover, two ministries are responsible for managing the education system, with 84 percent of schools under the Ministry of National Education (MoNE) and the remaining 16 percent under the Ministry of Religious Affairs (MoRA). Private schools play an important role. While only 7 percent of primary schools are private, the shares increase to 56 percent in junior secondary and 67 percent in senior secondary.⁴⁸⁷

⁴⁸⁶ Delegation of the European Union to Indonesia. Education Sector Support Programme (ESSP). Retrieved from <http://eeas.europa.eu/archives/delegations/indonesia/documents/eu_indonesia/essp_en.pdf>. Accessed on 17 September 2018.

⁴⁸⁷ The World Bank. World Bank and Education in Indonesia. September 2014. Retrieved from <<http://www.worldbank.org/en/country/indonesia/brief/world-bank-and-education-in-indonesia>>. Accessed on 17 September 2018.

In fact, there are three separate ministries are involved. The Ministry of National Education (MoNE) oversees state primary, junior and secondary schools; the Ministry of Religious Affairs (MoRA) has control of 'madrassas', or Islamic schools. In addition, the Ministry for Research, Technology and Higher Education is responsible for universities and polytechnics.

Some interesting statistics are "every 100 students who enter school, only 25 will come out meeting minimum international standards in literacy and numeracy. In reading, math and science, the average Indonesian 15-year-old is roughly four years behind the average Singaporean. The education system has also been racked by teacher shortages, and by repeated cheating scandals—including the selling of exam answers."⁴⁸⁸

Another critical challenge is that Indonesia faces sizable demography when educating. In accordance with the Boston Consulting Group's report, which was released in May 2013 suggested that "Indonesian companies will struggle to fill half of their entry-level positions with fully qualified candidates by the end of the decade due to low upper secondary and tertiary enrollment rates and substandard quality standards. Moreover, the engineering field is expected to experience the worst shortages, with the shortfall of engineering graduates projected to increase to more than 70 percent in 2025 from a 40 percent shortage in 2013. And while the report suggests that shortages will not be as severe at senior levels, it says that many at that level will lack the global exposure and leadership skills needed to succeed."⁴⁸⁹

According to UNICEF, the probability of being out of school for children whose mother has no education is considerably 20 times higher than those whose mother has tertiary education. If this continues to be an ongoing phenomenon, then there are major implications for Indonesia's long-term growth. One of them is that the lack of education moves from one generation to another.⁴⁹⁰

⁴⁸⁸ The Economist. Education in Indonesia. Retrieved from <<http://www.economist.com/news/asia/21636098-indonesias-schools-are-lousy-new-administration-wants-fix-them-schools>>. Accessed on 20 September 2018.

⁴⁸⁹ World Education News and Reviews. Education in Indonesia. Retrieved from <<http://wenr.wes.org/2014/04/education-in-indonesia>>. Accessed on 20 September 2018.

⁴⁹⁰ UNICEF. Indonesia. Retrieved from <<https://www.unicef.org/indonesia/education.html>>. Accessed on 20 September 2018.

One solution is that initiatives and campaign introduced by President Joko Widodo and the Education Secretary, Anies Baswedan. One of the initiatives is sending graduates to teach in remote areas. In addition, the launch of 'Indonesia Smart Card' in guaranteeing 12 years of free education and providing school fees and stipends to 24 million poor students across Indonesia.⁴⁹¹

The EU also plays a very important role in Indonesia's education system, according to the EU's Ambassador to Indonesia, Vincent Guérend, said that "9,000 Indonesians study in Europe of which 1,600 have received scholarships from the EU and its Member States. The EU has spent more than 500 million euro development grant assistance in Indonesia over the last ten years, in particular to promote basic education for all, to support efforts against climate change and deforestation and to promote good governance..."⁴⁹²

In this regard, Education Sector Support Programme (ESSP) was implemented to support key policies and strategies in the Government education strategic plan for 2010-2014 to ensure nation-wide access to, quality of, and good governance in basic education services. Under this programme, all parties involved push forward to create 'Education Sector Analytical and Capacity Development Partnership Indonesia' or ACDP Indonesia.

ACDP is established to be a facility promoting education policy dialogue and facilitating institutional and organizational reform to support national strategic priorities and education performance improvement. The EU's support is implemented through the Education Sector Support Program (ESSP), including Basic Education Minimum Service Standards capacity development program.

⁴⁹¹ The Economist. Education in Indonesia. Retrieved from <<http://www.economist.com/news/asia/21636098-indonesias-schools-are-lousy-new-administration-wants-fix-them-schools>>. Accessed on 22 September 2018.

⁴⁹² EU Delegation to Indonesia and Brunei Darussalam. About the EU Delegation to Indonesia and Brunei.

Retrieved from <https://eeas.europa.eu/delegations/indonesia/679/about-the-eu-delegation-to-indonesia-and-brunei_en>. Accessed on 22 September 2018.

Under this initiative, there is also support from Australia's Education Partnership with Indonesia. ACDP is expected to continue onto 2016.⁴⁹³

The purpose of ACDP is aimed to strategically contribute to the Government's medium to long term education goals. It is also aimed at strengthening the education system and sustaining organizational performance improvement by means of modernizing the education system, improving service delivery, and enabling better regional and international competitiveness. In addition, ACDP will contribute to the achievement and monitoring of education objectives and targets in the National Medium Term Development Plan and the Strategic Plans of Ministry of National Education and Culture (MoEC) and Ministry of Religious Affairs (MoRA). ACDP has three outputs, which are:

- *Policy and operational research papers and proposals for legislative and regulatory reforms related to basic and post-basic education policies and financing.*
- *Policy and operational research papers and proposals for selective organizational change and capacity development in central, provincial, and district agencies, schools, TVET institutions, and universities.*
- *Improved information and communication systems to establish and sustain robust processes for building knowledge management and organizational learning processes.*⁴⁹⁴

In this regard, activities supported by ACDP include research, studies and evaluations; knowledge sharing, learning events and strategic dialogue; as well as systems and capacity development.

From all these efforts, it is clear that Indonesia's education and skills are at the heart of Indonesia's growth prospects. Currently, Indonesia is close to achieving universal basic education. High levels of investment on educational facilities, teaching personnel and learning materials are key supporting factors.

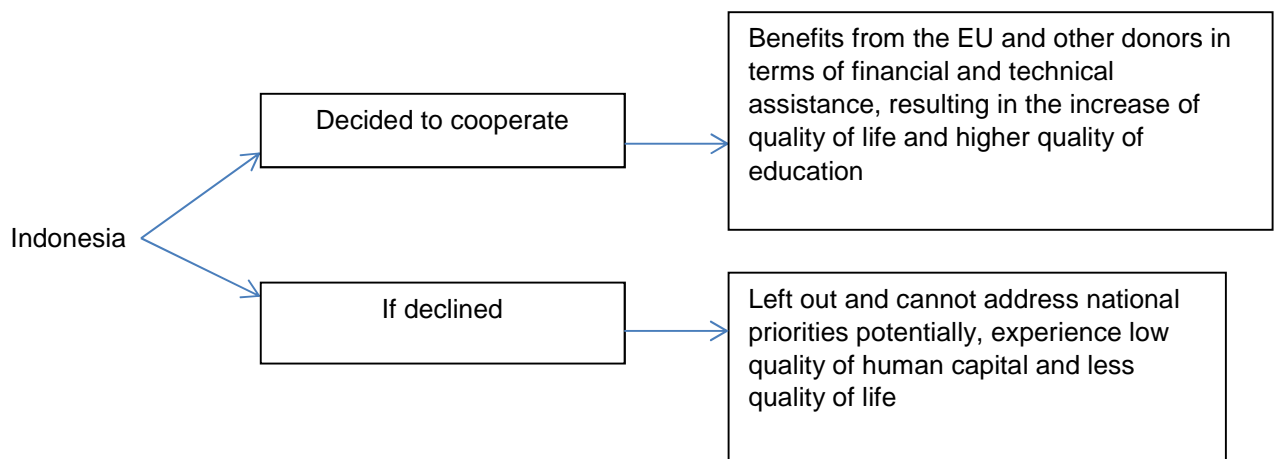
⁴⁹³ Education Sector Analytical and Capacity Development Partnership Indonesia. Retrieved from <<http://www.acdp-indonesia.org/en/home/>>. Accessed on 25 September 2018.

⁴⁹⁴ Education Sector Analytical and Capacity Development Partnership Indonesia. ACDP Background. Retrieved from <<http://www.acdp-indonesia.org/en/about-acdp/about-indo/>>. Accessed on 25 September 2018. More information can be viewed from <<https://www.youtube.com/watch?v=6Ny5HBRf-cY>>.

Still, “the challenge is to consolidate these gains and develop an education system that will better support the needs of a rapidly emerging economy in its transition towards high-income status. This requires Indonesia to turn its attention to three main goals: raising quality, widening participation, and improving efficiency.”⁴⁹⁵

One more recommendation toward an increased attention to the education and training needs of adults in Indonesia given by OECD and ADB is that “the responsible ministries should work in collaboration with donors and employers to develop an integrated approach to the assessment and enhancement of adult learning throughout Indonesia.”⁴⁹⁶

Cooperative game under Game theory is best to explain why Indonesia decided to make rational decision on education matters. In this regard, decision making tree is illustrated below.



⁴⁹⁵ OECD/Asian Development Bank (2015). Education in Indonesia: Rising to the Challenge, OECD Publishing, Paris. Retrieved from <<https://www.adb.org/sites/default/files/publication/156821/education-indonesia-rising-challenge.pdf>>. Page 19. Accessed on 27 September 2018.

⁴⁹⁶ Ibid. Page 42.

Principle of ‘Create an education system to promote flourishing’ under ‘A Well-being Manifesto for a flourishing society’ approach can also help examine how Indonesia and the EU view and settle education as agenda of priority for Indonesian society. As discussed and evidence indicated that Indonesia’s leader and all sectors of Indonesian society value how extremely important education is, as a result Indonesia and the EU agree in pushing and promoting education under ESSP and ACDP programme. It also reflects Development policy of the EU in response to the needs of Indonesia and this principle.

Under ‘Development Policy of the European Union’ approach, this situation and programme falls under ‘Strengthening institutional capacity’ principle. It is evidently clear that the EU intends to assist Indonesia’s education sector to improve its efficiency, effectiveness, quality and management. This increased EU’s responsibility under this principle in connection with Development policy.

Regarding ‘Normative Power Europe’ theory, ‘Transference’ principle—the EU’s financial and technical assistance has been allocated in education sector as appears in ESSP and ACDP programme. Moreover, it leads to creating cooperation with other country like Australia and international organization in assisting Indonesia, thus multilateral efforts contributing to a better performance of the country concerning education sector.

Cultural Filter—Indonesia realizes the EU’s values and norm, in particular the EU’s advanced technology, knowledge and learning culture as well as high quality of education. Therefore, seeking opportunity to construct knowledge between the two counterparts creates positive impact on Indonesia’s education sector. Indonesia and the EU also share similar values on regional development, democracy, human rights and the environment.

Overt diffusion—the relationship between the EU and Indonesia is based on Framework Agreement on Comprehensive Partnership and Cooperation. The EU delegation to Indonesia office is good evidence by confirming the EU’s presence and further enhancing relationship with Indonesia and Brunei.

In April 2016, the EU and Indonesian leaders announced the conclusion of pre-negotiation discussions designed to enable the launch of negotiations for a so-called 'Comprehensive Economic Partnership Agreement' (CEPA), which is more commonly known as a Free Trade Agreement or FTA. "If realized, the CEPA between the EU and Indonesia will be a trade agreement with a potentially impressive scale, creating a combined market of more than 750 million consumers."⁴⁹⁷

Further areas of cooperation are such as political and economic, trade and investment, trade cooperation, environment and climate change, human rights, climate change, good governance, civil society, health, inter alia. To re-emphasize, the EU's response to Indonesia's education sector is as follows:

*"Education has in the recent years become a major focus of the European Commission (EC) cooperation with Indonesia, which reflects the priority given by the Indonesian Government to education reforms, in order to contribute to poverty reduction and economic growth through improved competitiveness and work force productivity. EC assistance to education is well aligned with the priorities and challenges outlined above."*⁴⁹⁸

The following table summarizes levels of collaboration in relation to three key factors as previously discussed.

⁴⁹⁷ EU Delegation to Indonesia and Brunei Darussalam. Relations between Indonesia and the EU. Retrieved from <https://eeas.europa.eu/delegations/indonesia/680/relations-between-indonesia-and-the-eu_en>. Accessed on 30 September 2018.

⁴⁹⁸ EU Delegation to Indonesia and Brunei Darussalam. Education. Retrieved from <http://eeas.europa.eu/archives/delegations/indonesia/eu_indonesia/cooperation/sectors_of_cooperation/education/index_en.htm>. Accessed on 30 September 2018.

Projects and Key factors	Micro level	Macro level	Health	Education	Employment
1. ASEAN Regional Integration Support by the EU (ARISE), budget 15 million euro, 2012-2016	-	/	-	/	-
				(Capacity building of trade-related aspects and policy of ASEAN)	
2. ASEAN-EU Enhancing ASEAN Free Trade Agreement Negotiating Capacity Programme, budget 2.5 million euro, 2011-2013	-	/	-	/	-
				(Training workshop, which aims develop ASEAN capacities for trade negotiations)	

3. Regional EU-ASEAN Dialogue Instrument (READI) Facility, budget 4 million euro, 2011-2014	-	/	-	/	(Education is one of the key thematic areas covered by READI.)
4. EU-ASEAN Capacity Building Project for Monitoring Integration Progress and Statistics (COMPASS), first phase 2009-2013, second phase 2014-2018	-	/	-	/	(Build the capacity of the ASEAN Integration Monitoring Office)
5. Thailand, Policy Dialogue Facility covering Trade, Investment,					

Environment and Climate Change, Governance Programme, 3.75 million euro, 2013-2017	/	-	-	/	/
					(Human rights in relation to employment)
6. EU-Vietnam, Health Sector Policy Support Programme (HSPSP 1), budget 39.250 million euro, 2011-2015	/	-	/	/	-
				(Research cooperation)	
7. EU-Indonesia, Education Sector Support Programme (ESSP), budget 201 million euro, 2010-2015	/	-	-	/	-

It is worth mentioning that selected projects/programmes at micro level address three key factors in a sense that they provide potential support on health, education and employment dimensions, of which employment may seem to have less direct benefits than others. Although programmes at macro level have not addressed the three key factors directly, they provide benefits and create engaging opportunities for other areas of development. This could be titled as 'cross-cutting issue enabler.'

6.6 Current Situation regarding Cooperation between the EU and ASEAN

The current EU-ASEAN cooperation initiatives are under the budget cycle 2014-2020. The EU aims to provide supports to the ASEAN integration and the ASEAN Secretariat with the total budget of 170 million euro; this is more than double the amount under the previous cycle 2007-2013, which was about 70 million euro. The new programme will focus on enhancing connectivity, trade, addressing disaster management, climate change and promoting dialogue across the board.

In addition, the 21st EU-ASEAN Joint Cooperation Committee (JCC) Meeting brought about cooperation agenda for 2014-2020, which focuses on three focal sectors, these are:

1. Connectivity: sustainable and inclusive economic integration (85 million euro/50%)

- A key goal of the connectivity envelope is to improve connectivity between the ASEAN member states through sustainable, inclusive economic integration and trade. Special attention is paid to countries that joined ASEAN the latest – Cambodia, Laos, Myanmar and Vietnam.

- The cooperation agenda foresees enhanced dialogue and interactions on trade-related regulatory and policy frameworks, intellectual property, standards, customs and transport, civil aviation, and more (ARISE Plus).

- In 2015, a programme to supports the farmers' organizations (AFOSP) already began work, and a study facility to support green economy and urban development in ASEAN will soon follow (Asia Investment Facility).

2. Climate change, environment and disaster management (60 million euro/ 37.5%)

- In the area of climate change, priority has been given to the sustainable use of peatlands and reducing problems caused by haze, environmentally sustainable, low carbon and climate resilient cities, and environmental education.

- The EU support to strengthening disaster management capacities in ASEAN will also continue.

- An added focus on Biodiversity Conservation and Management of Protected Areas is expected to follow.

3. Comprehensive Dialogue Facility (€25 million / 12.5%)

The Regional EU-ASEAN Dialogue Instrument (E-READI) aims at supporting ASEAN regional integration processes and reducing poverty, by offering technical assistance and by conducting dialogues with the EU in multiple sectors, which are:

- i. Human rights, maritime cooperation, peace and reconciliation, election observation, migration and mobility in the Security and Political pillar;*
- ii. Science and technology, ICT, energy, trade facilitation, agriculture and natural resources, forestry in the Economic pillar; and*
- iii. Climate change, disaster management, environment, education and youth, development goals, health and communicable diseases, food safety, culture and media, and tourism in the Socio-Cultural pillar.⁴⁹⁹*

⁴⁹⁹ Delegation of the European Union to Vietnam. Regional Cooperation. Retrieved from http://eeas.europa.eu/archives/delegations/vietnam/eu_vietnam/tech_financial_cooperation/regional_cooperation/index_en.htm. Accessed on 1 October 2018.

Apart from the new programmes mentioned above, there are on-going cooperation activities with a total of 10 million euro allocated for the EU Support to Higher Education in ASEAN Region (EU SHARE), a programme that assists the harmonization of recognition systems between ASEAN universities. As a result, it is easier for students to transfer credits from one university to another and improve the comparability of degrees.

On top of this, the EU emphasizes specific objectives stipulated in the Regional Programming for Asia Multiannual indicative Programme 2014-2020 to enhance ASEAN integration process, which contributes to trade, poverty reduction and sustainable economic growth, including peace and stability in Southeast Asia. Three specific objectives are as follows:

- 1. improved connectivity through sustainable and inclusive economic integration and trade;*
- 2. increased resilience to climate change, protection of the environment and improved disaster management; and*
- 3. deeper understanding and convergence of vision on key global and regional challenges.⁵⁰⁰*

From these diverse opportunities, one can draw on a lesson learned that ASEAN integration needs to be fulfilled in many dimensions. An effort arising from ASEAN level alone cannot guarantee the success.

Cooperating with the EU is by far beneficial, but still paradoxical whether ASEAN is in an equal footing position to the EU as we have witnessed various terms liking for 'partnership' and 'dialogue partner.' However, in reality, most ASEAN Member States and ASEAN Secretariat still receive financial and technical assistance from the EU. In this regard, is ASEAN and the EU relationships more likely donor-recipient conformity?

⁵⁰⁰ European Union. Regional Programming for Asia Multiannual indicative Programme 2014-2020. <http://eeas.europa.eu/archives/docs/asia/docs/rsp/regional-asia-mip-2014-2020_en.pdf>. Page 9. Accessed on 1 October 2018.

Nevertheless, ASEAN needs to be strengthened and carry on with integration process. As a consequence, it must benefit citizens of ASEAN as the former ASEAN Secretary-General, Dr. Surin Pitsuwan, stated “ASEAN integration will have to benefit citizens, will have to be inclusive. That’s one of the objectives of ASEAN economic integration: to be competitive,...to be equitable and to be able to interact with the world. So one of the objectives of ASEAN economic integration is to be equitable. I think a good lesson for us is to be conscious of the gap between the rich and the poor, those who benefit and those who feel left out in the market. Otherwise, this project is also going to have problems.”⁵⁰¹

6.7 Summary

ASEAN and the EU look forward to enhancing their cooperation in many ways. With regard to trade, investment and people to people linkages in addition to business sector are of mutual benefits, key issues are such as the resumption of ASEAN-EU FTA, exchange programmes in education, irregular migration issue and relaxation of visa requirements. Moreover, European business interest in ASEAN is growing; this is catalyzed by the launch of the ASEAN Economic Community, aiming to better address trade facilitation and non-tariff barriers.⁵⁰²

Lesson learned from this chapter can be said that seven selected projects/programmes, provided evidence of information and discussion reflecting the issue and factors of well-being and indicate how the EU and ASEAN have been exchanging experiences. In this regard, the EU is in a position of financial and technical provider; ASEAN is clearly a recipient, as a bloc and as Member States individually.

⁵⁰¹ Nikkei Asian Review. Brexit will not hinder ASEAN integration, Surin Pitsuwan says. Retrieved from <<http://asia.nikkei.com/Politics-Economy/International-Relations/Brexit-will-not-hinder-ASEAN-integration-Surin-Pitsuwan-says?page=2>>. Accessed on 2 October 2018.

⁵⁰² ASEAN. Optimism and Keen Business Interest in ASEAN, Rising in Norway and EU. 16 June 2015. Retrieved from <<http://asean.org/optimism-and-keen-business-interest-in-asean-rising-in-norway-and-eu/>>. Accessed on 2 October 2018.

From a positive perspective, ASEAN and the EU can work together more closely in order to address international issues of mutual concerns as well as to further discuss their shared interests in different international fora. Moreover, the status of equal partnership is strongly encouraged in accordance with 19th ASEAN-EU Ministerial Meeting, 26-27 April 2012, Bandar Seri Begawan.

To be exact, to collaborate under Bandar Seri Begawan Plan of Action to Strengthen the ASEAN-EU Enhanced Partnership (2013-2017), this aims to provide a more strategic focus to cooperation and dialogue.⁵⁰³

A pessimistic view is that co-operation between the two blocs may seem to provide mutual interests. However, on the surface ASEAN benefits more from these projects/programmes than the EU. Why is the EU still providing assistance, especially financial assistance to ASEAN? Given insufficient budget of ASEAN in covering many dimensions of development and regional integration, where is ASEAN contribution in any joint development projects and programmes in collaboration with the EU? When considering FTA negotiation capacity building programme, this could be a trade-off for the EU to bring in their business operators to ASEAN markets?

Moreover, apart from Singapore, which ASEAN Member States can have an equal position to negotiate with the EU? Although, there are trade schemes like 'GSP', 'Everything but Arms' provided for less developed member countries of ASEAN like CLMV, they must move up the ladder and rely on their capacity rather than waiting for external assistance.

Undoubtedly, there are many sectors that the EU can provide recommendations such as trafficking in persons, ICT, labor and employment, air transport, climate change, energy and science and technology, among others. Development by applying bottom-up approach, meaning that listening to those who face real problems, is the best solution.

⁵⁰³ Paul Joseph Lim. What has ASEAN offered or could offer to the European Union in their relationship? Retrieved from <<http://www.aseancenter.org.tw/upload/files/outlook008-03.pdf>>. Page 7-9. Accessed on 3 October 2018.

This way ASEAN Member States can stand on their own feet sustainably and thus well-being can be enhanced in the right direction with potential assistance provided by a dialogue partner, namely the EU. Concerning this, internal priorities of ASEAN and its Member States must be identified and clarified before the process of negotiation assumes its role.

CHAPTER VII

DISCUSSION AND OVERALL CONCLUSION

*"Gross National Happiness is more important than Gross National Product."*⁵⁰⁴

His Majesty Jigme Singye Wangchuck, the Fourth King of Bhutan

Human beings, regional, international and global actors interact and are interdependently connected through and by trade and development policy at many levels i.e. globally, regionally, national, locally and interactively. Various patterns and channels of trade and development also surround us in many respective orders. Collective efforts via online and offline representing well-being initiatives vis-à-vis trade and development agreements between nations and regional blocs are increasingly important.

The intensification of collective efforts among states as witnessed and envisaged upon international relations also become increasingly focused on continental-sized regions. On top of that, regions would be more concentrating on economic growth and political development as well as cooperation via multi-level dimensions of international relations and the need for change.⁵⁰⁵

Considering forces that help shape our planet, these are typically man, nature and technology.⁵⁰⁶ Region to region, in this research, the EU and ASEAN, must seek more ways to connect rather relying on trade and development policy conducted towards each other. Factors that both blocs may consider, apart from mutual interests, can be greater connectivity and sustainability. Their roles might go beyond the edge of two regions but spill over to other countries or regions that need assistance.

⁵⁰⁴ GNH Centre Bhutan. The Story of GNH. Retrieved from

<http://www.gnhcentrebhutan.org/what-is-gnh/the-story-of-gnh/>. Accessed on 5 May 2018.

⁵⁰⁵ Ken Booth. International Relations: All that matters. Hodder & Stoughton. UK. 2014. Page 131-135.

⁵⁰⁶ Parag Khanna. Connectography: Mapping the future of global civilization. Random House. 2016. Page 14.

The EU also sees itself as sustainability ambassador and views the future as “a sustainable society is one where economic growth is compatible with planetary boundaries and distributed fairly among its citizens.”⁵⁰⁷

Moreover, the EU embraces the concept of sustainability as European brand, as stipulated in Article 3.3 of the Treaty on European Union, which reads “...balanced economic growth and price stability, a highly competitive social market economy, aiming at full employment and social progress, and a high level of protection and improvement of the quality of the environment”.⁵⁰⁸

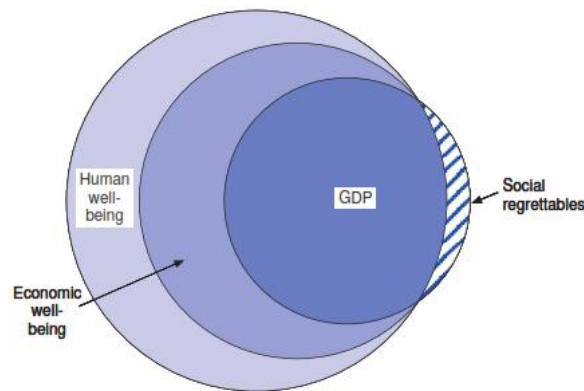


Figure 7.1: Relationship between human well-being, economic well-being and GDP

Source: OECD. The Well-being of Nations: the role of human and social capital.

As shown in Figure 7.1, one can see clearly how human well-being, economic prosperity and GDP are inter-related. Consider closely, it is also obvious that GDP and economic well-being are parts of a broader perspective of human well-being. In addition, human well-being is actually a global trend as well as the goal of nations as discussed on previous chapters.

⁵⁰⁷ European Commission. Sustainability Now! A European Vision for Sustainability. Page 8. Retrieved from https://ec.europa.eu/epsc/sites/epsc/files/strategic_note_issue_18.pdf. Accessed on 7 May 2018.

⁵⁰⁸ Ibid. Page 9.

Regardless of different terms of well-being that we have witnessed and discussed, to succeed in implementing the policy of well-being, there must be an involvement of at least three key stakeholders; these are policymakers, academic and community. In addition, political, institutional and legal arrangements can be considered direct and indirect links to this equation.

However, the three key factors that can help lead joint agenda setting between two regions, the EU and ASEAN, are health, education and employment. It is worth noting here that “human well-being is more than the sum of individual levels of well-being since it relates to individual and societal preferences regarding equality of opportunities, civil liberties, distribution of resources and opportunities for further learning”.⁵⁰⁹

From evidence shown, both developed and developing countries have their own concerns and challenges, in particular economic performance and well-being measurement as opposed to the real growth of society. Further study concerning the importance and relationships between well-being and human and social capital are needed. In addition, the study of human and social capabilities that can create an impact on well-being is also useful to further design relevant policy.

7.1 World Happiness, Sustainable Development and Well-being

Key selected factors in this thesis are considered a part of well-being. Happiness and sustainable development are holistic and may be measured based on life evaluations via a broader indicator of human welfare, thus they should not be assessed by income, poverty, health, education, and good government separately. Sustainable development is considered a holistic process in relation to well-being. It urges societies to pursue economic, social, and environmental objectives in an integrated manner as much as possible.

⁵⁰⁹ Ibid. Page 11.

“When countries or regions single-mindedly pursue individual objectives, such as economic development to the neglect of social and environmental objectives, the results can be highly adverse for human well-being, even dangerous for survival. Many countries in recent years have achieved economic growth at the cost of sharply rising inequality, entrenched social exclusion, and grave damage to the natural environment. The SDGs are designed to help countries to achieve a more balanced approach, thereby leading to higher levels of well-being for the present and future generations.”⁵¹⁰

This concept corresponds well with the ‘Well-being manifesto for a flourishing society’ introduced by NEF. In particular, happiness and sustainable development contribute to selected key indicators under this frame of thought, which are ‘Creating a well-being economy: employment, meaningful work and environmental taxation’, ‘Create education system to promote flourishing’ and ‘Refocus the NHS to promote complete health.’ Key selected factors in this thesis, which are health, education and employment, reflect what NEF has designed for indicators.

According to the World Happiness Report, there are six dimensions of happiness. These are Mindfulness, Consumerism, Economic freedom, Dignity of work, Good governance and Social trust.⁵¹¹

It is worth noting that these six dimensions are in line with the six core principles of Development Policy of the European Union used in this thesis, which are Trade for development; Regional integration and cooperation; Macroeconomics policies linked to poverty reduction; Food safety and sustainable development strategies; Strengthening institutional capacity and Good governance and the management of public affairs.

One can see that both two principles can provide lens and reflections when talking about life fulfillment. Six dimensions of happiness looks at personal relationship with external environment whereas six core principles of Development policy of the EU can deal with inter-regional relations in connection with improving human life conditions at a larger scale. This means they both contribute their positive forces to one another interactively.

⁵¹⁰ John Helliwell, Richard Layard and Jeffrey Sachs. World Happiness Report 2016. Page 4-5. Retrieved from <http://worldhappiness.report/wp-content/uploads/sites/2/2016/03/HR-V1_web.pdf>. Accessed on 10 May 2018.

⁵¹¹ Ibid. Page 58.

The current challenge to happiness is that the world population now is approximately 7.3 billion and there are 193 countries. Therefore, “to achieve happiness requires the cultivation of mindfulness and virtue, to be sure; but it also requires an adequate command over material resources, as emphasized by economists; decent work; personal freedoms; good governance; and strong social ties. Of course there are difficult and unsolved complexities in meeting this multi-dimensional challenge.”⁵¹²

It is clear that by justifying from personal, local, national, regional to global level, it is of utmost importance to recognize and understand that the causes and goals of human well-being are multi-dimensional and cannot be measured by economic performance solely. In other words, by stating a nation's growth in GDP is increasing, this does not mean that particular state/country/region meets well-being requirements.

7.2 The EU and ASEAN Share Common Values

It is unavoidable to look at economy when discussing matters affecting global players, like the EU, and regional player, being ASEAN. The landscape of world's economy is changing at an unprecedented rate. As a consequence, many countries have successfully created opportunities and managed their potentials in using open trading system to increase productivity and their exports/imports of goods and services while enjoying GDP growth. With regard to China, it has become the world's biggest exporter after the EU and considered the third largest economy after the EU and the US. Other competitive economies such as India, Brazil and other emerging economies are following a similar path. With this rapid expansion, they have attracted Foreign Direct Investment (FDI) and are now key global investors. Considering emerging economies, they have also played a leading role in world growth and thus they are recognized as major economic and political players at international level. One role is that they are strengthening their presence in poorer countries and their links with them.

⁵¹² Ibid. page 58-59.

The European Commission reiterates this significance as “for the first time in history, developing countries as a whole account for more than half of world trade. The global economic and financial crisis has accelerated the shift in economic power away from developed countries towards emerging economies, which are now seen as part of the solution to the crisis.”⁵¹³

This global trend of economic interdependence indicates how regional actor like ASEAN and global player like the EU have responsibilities to hold. The EU has long been promoting regional integration strategy and considered it as a valuable strategy. This is based on a belief that regional dimension can provide an incentive to establish and secure sound policies, social protection, conflict resolution and macroeconomic stabilization that can be achieved at a regional level rather than at a national level. In addition, the EU also has advocated and supported the South-South integration and greater integration of developing countries in the multilateral trading system.⁵¹⁴

With regard to development attempt to be integrated in trading system at a global level, it is worth considering the WTO's Doha round of trade talk, which is regarded as the most ambitious attempt to date in moving development agenda into the core of multilateral trading system. As a result, mechanisms and rules of trade are aimed at enabling developing countries to implement these rules and further benefit from them in addition to trade liberalization.⁵¹⁵ For instance, the EU 's trade-related assistance with the focus on enhancing effective participation in the multilateral trading system and the policy and institutional reforms have been exported through the support for regional integration and cooperation channel in which the EU has long been a supporter of cooperating and deepening the process of regional integration, in particular for ASEAN's integration.⁵¹⁶

⁵¹³ European Commission. Communication from the Commission to the European Parliament, the Council and the European Economic and Social Committee: Trade, growth and development-Tailoring trade and investment policy for those countries most in need. Page 3. <Retrieved from http://trade.ec.europa.eu/doclib/docs/2012/january/tradoc_148992.pdf>. Accessed on 12 May 2018.

⁵¹⁴ Communication from the Commission to the Council and the European Parliament. Trade and Development: Assisting developing countries to benefit from trade. 2002. Page 13. Retrieved from <https://ec.europa.eu/europeaid/sites/devco/files/communication-trade-com2002513-20020918_en.pdf>. Accessed on 12 May 2018.

⁵¹⁵ Ibid. Page 16.

⁵¹⁶ Ibid. Page 19 and 24.

Trade and development strategy of the EU was mentioned and updated in line with the fast changing world. In 2012, the EU released the document called “Trade, growth and development, tailoring trade and investment policy for those countries most in need” where ‘investment’ was included and played a crucial role in assisting developing countries.

As the EU mentioned clearly that “the notion of “developing countries” as a group is losing relevance as a result and trade, investment and development policies now need to be tailored to reflect this. The issue of development, however, and the specific role of trade for development, remains pressing. The EU has a particular responsibility as the world’s largest trading power, the biggest trading partner of many LDCs and other low-income or lower middle-income countries, and the world’s largest provider of development assistance (including for trade-related programmes).”⁵¹⁷

It is understandable that economic prosperity still dominates policy-making and decision-making process for ASEAN. An interesting bloodstream and backbone of ASEAN is the performance of SMEs. A combined GDP of ASEAN member state is approximately 2.6 trillion US dollars. Considering this economic performance, the size of economy is relatively large. This is echoed by a former Secretary-General of ASEAN as “if ASEAN was a single country, it would be the seventh largest economy in the world. And in 10 years’ time, ASEAN is expected to overtake the United Kingdom and France to be the fifth largest economy — after the United States, China, Japan and Germany.”⁵¹⁸

A growing trend in entrepreneurship and SMEs ownership has gained more popularity among ASEAN. As a result, collaboration between the EU and ASEAN can be focused on developing SME joint collaboration to promote region to region interaction as well as to facilitate trade and development policy between the two blocs. In addition, other areas are such as human resource management/development, business development, integration to global supply chains and global value chains can be of mutual agreements and further collaborations.

⁵¹⁷ Ibid. Page 2.

⁵¹⁸ Mr. Ong Keng Yong and Phidel Gonzales Vineles. What ASEAN’s enterprises need to succeed. Retrieved from <http://www.eastasiaforum.org/2016/08/19/what-aseans-enterprises-need-to-succeed/?utm_source=newsletter&utm_medium=email&utm_campaign=newsletter2016-08-21>. Accessed on 15 May 2018.

One area of certain opportunity is that of promoting human resources development and entrepreneurship as well as MSMEs. To elaborate, providing entrepreneurship learning programs can help equip MSMEs with improved management and business methods. For instance, there is an initiative of the ASEAN Strategic Action Plan for SME Development, which aims to establish a common curriculum for entrepreneurship in the region through an educational program and it is currently being implemented in ASEAN universities.⁵¹⁹ The EU has already assisted ASEAN in many projects/programmes around education theme. As a result, MSMEs and entrepreneurship can be another channel for both blocs to cooperate.

This emphasizes that trade and development work well inter-dependently. If a country/region only invests in trade sector, development aspects of a country/region will lag behind. In contrast, when a country/nation/region focuses mainly on promoting and fulfilling development sector, economic performance will be inconsistent and of course will face difficulties in producing financial and capital contribution towards the goals in development. This can be concluded that trade and development policy must be prioritized and implemented if a country/region wishes to meet the real goal of well-being. Common values in which the EU and ASEAN uphold have been translated into implementation. This clearly reflects the 'well-being' spirit mentioned in the Treaty of Lisbon and ASEAN Charter, although further improvements and refocus in some areas still need attention from both players based on inter-regional relations.

Previous chapters, Chapter IV and V, mention and provide analyses concerning cooperation between the EU and ASEAN Member States via trade and development policy. This can be concluded that the EU and ASEAN interact with one another on inter-regional basis, EU-ASEAN level, as well as bilateral basis, meaning the EU and each of ASEAN Member State level. The following table presents selected projects/programmes and thus re-emphasizes levels of collaboration in relation to three key factors as already discussed in Chapter VI.

⁵¹⁹ Ibid.

Projects and Key factors	Micro level	Macro level	Health	Education	Employment
1. ASEAN Regional Integration Support by the EU (ARISE), budget 15 million euro, 2012-2016	-	/	-	/	-
				(Capacity building of trade-related aspects and policy of ASEAN)	
2. ASEAN-EU Enhancing ASEAN Free Trade Agreement Negotiating Capacity Programme, budget 2.5 million euro, 2011-2013	-	/	-	/	-
				(Training workshop, which aims develop ASEAN capacities for trade negotiations)	

3. Regional EU-ASEAN Dialogue Instrument (READI) Facility, budget 4 million euro, 2011-2014	-	/	-	/	-
				(Education is one of the key thematic areas covered by READI.)	
4. EU-ASEAN Capacity Building Project for Monitoring Integration Progress and Statistics (COMPASS), first phase 2009-2013, second phase 2014-2018	-	/	-	/	-
				(Build the capacity of the ASEAN Integration Monitoring Office)	
5. Thailand, Policy Dialogue Facility covering Trade, Investment,					

Environment and Climate Change, Governance Programme, 3.75 million euro, 2013-2017	/	-	-	/	/
6. EU-Vietnam, Health Sector Policy Support Programme (HSPSP 1), budget 39.250 million euro, 2011-2015	/	-	/	/	-
7. EU-Indonesia, Education Sector Support Programme (ESSP), budget 201 million euro, 2010-2015	/	-	-	/	-

Not only do the selected projects/programmes represent key factors of growth in a sense that they provide supports and work on different areas such as capacity building, trade negotiation, among others, but they also contribute to three key selected factors of well-being, which are health, education and employment.

In addition, each project/programme has benefits and thus helps engaging opportunities for other areas of development such as research cooperation. This could be titled as cross-cutting issue enabler.

7.3 Analytical Tools

Let's turn to conclude the lesson learned from two main theories and three approaches, which are used to analyze the concept and practice of well-being in relation to the EU's trade and development policy towards ASEAN. They are academically useful to answer research questions.

7.3.1 Game Theory

The nature of collaboration between the EU and ASEAN is based on a non-zero sum game, and to be exact, it is a co-operative game. Not only under trade policy does the EU pursue, but it also relies on development policy in which the EU interacts with ASEAN, and vice versa.

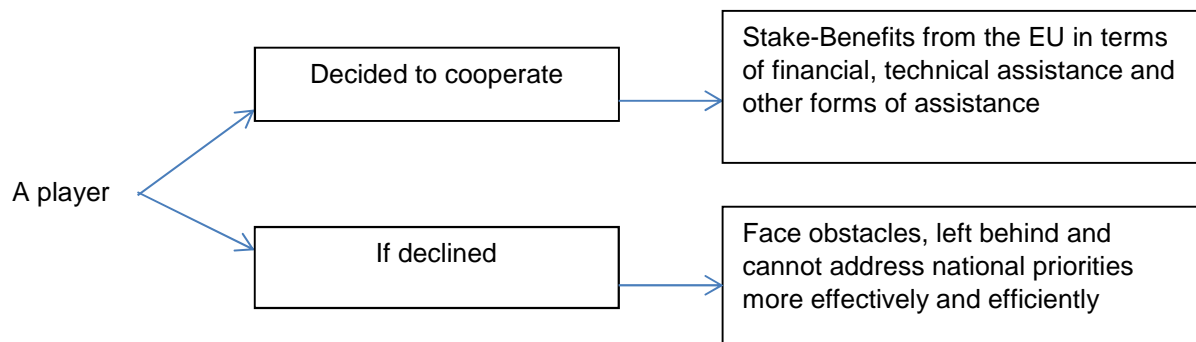
All seven selected projects/programmes mentioned fall in a mixed strategy as shown in both payoff matrixes, 'High' position, representing the collaborative exchange of performance through trade and investment according to statistics mentioned as well as capacity building and assistance via development cooperation in social, economic and environmental spheres.

	ASEAN	ASEAN
Trade Game	Using Trade policy as a pure strategy	Using Trade policy with other policy as a mixed strategy

<p>EU</p> <p>Using Trade policy as a pure strategy</p>	Low	Low
<p>EU</p> <p>Using Trade policy with other policy as a mixed strategy</p>	Low	High

Development Game	ASEAN Using development policy as a pure strategy	ASEAN Using Development Policy as a subsequent strategy or other policy as a mixed strategy
<p>EU</p> <p>Using Development Policy as a pure strategy</p>	Low	Low
<p>EU</p> <p>Using Development Policy as a subsequent strategy or other policy as a mixed strategy</p>	Low	High

Moreover, a decision making tree is also useful in analyzing why an actor/player makes a rational strategic move as can be seen from selected projects/programs in Chapter VI in which individual Member States of ASEAN (Thailand, Indonesia and Vietnam) chooses to cooperate with the EU in certain area. Under Game theory, stake, interest, benefit or incentive in question may vary. However, rational players of such game hold responsible to negotiate in order to gain such stake. Maximum incentive is there but no party can receive maximum benefit. Sharing of benefit is a part of the game.



To elaborate further, stakes of either development or trade game can be put under cooperative game, or 'variable-sum games' in which players can often benefit from working together. There is room for both cooperation and competition; therefore the players have incentive to maximize what percentage of the incentive they each can get. Moreover, it can fall under 'Stag hunt game.' To put in an analogy, a rabbit or an hare is considered giving less benefits than a stag, which is bigger and it can create more benefits for either Hunter 1 and Hunter 2. In this respect, the hunters are the EU and ASEAN; they can receive a bigger reward when cooperating in the hunting game as the table of payoff matrix shown below.

Game (Trade and/or Development policy)		Hunter 2 (ASEAN)	
		Stag	Rabbit
Hunter 1 (The EU)	Stag	5, 5	0, 4
	Rabbit	4, 0	2, 2

7.3.2 Normative Power Europe

Lens of approaching and analyzing the EU and ASEAN interaction are as follows:

- **Contagion:** It is an unintentional diffusion of ideas from the EU to other political actors. To simply put, the EU exports this concept through its action, namely, leading by example.
- **Informational Diffusion:** It consists of the range of strategic communications such as new policy initiatives and declaratory communications.
- **Procedural Diffusion:** It involves institutionalization of a relationship between the EU and third party. For example, inter-regional cooperation agreements, membership of an international organization, inter alia.
- **Transference:** This is defined when the EU's diffusion of norm exchanges goods, trade, air or technical assistance with third parties through the means of financial and substantive channels.

- **Overt diffusion:** This occurs when the EU physically appears in third states and in international organizations.
- The last norm is **Cultural filter:** this norm is felt when it affects the impact of 'international norms and political learning.' It is based on the 'interplay between knowledge construction and the creation of social and political identity.'

According to this theory, the researcher of this thesis found that 'Procedural Diffusion' can explain the agenda setting and interaction at institutional level between the EU and ASEAN. The aforementioned selected projects/programmes clearly support the evidence to which the two regions' engagement and involvement materialize and deliver results/outcomes.

Another norm is 'Transference', which helps explain how the EU supports ASEAN in terms of technical and financial assistance via various projects/programmes.

7.3.3 Well-being Manifesto

As mentioned in Chapter 1, 'A well-being manifesto for a flourishing society' by the New Economics Foundation (NEF) offers lead-in measurement for well-being to answer the question "what would politics look like if promoting people's well-being was one of government's main aims?"

This thesis selects only three key notions from the eight indicators shown below. These are as follows:

1. Measure what matters: produce a set of national well-being accounts.
2. Create a well-being economy: employment, meaningful work and environmental taxation.
3. Reclaim our time through improving our work-life balance.
4. Create an education system to promote flourishing.
5. Refocus the NHS to promote complete health.

6. Invest in early years and parenting.
7. Discourage materialism and promote authentic advertising.
8. Strengthen civil society, social well-being and active citizenship.

Well-being indicators according to NEF	Trade policy (of the EU when conducting towards ASEAN)	Development policy (of the EU when conducting towards ASEAN)
2. Create a well-being economy: employment, meaningful work and environmental taxation	/	/
4. Create an education system to promote flourishing	/	/
5. Refocus the NHS to promote complete health.	/	/

Under this approach, both regional groupings realize the current situations fairly well. The three indicators selected are capable of analyzing and justifying situations where the EU promotes well-being in its policy conduct towards ASEAN. Although some example may be seen as a challenge, a joint cooperation to solve problems is a reasonable option. For instance, in a case of fishing industry, Thailand has been given a yellow card by the EU and it will not lift up the ban until Thailand improves human rights and conditions for fishermen, crews and law as well as involved measures. Judging from this situation, employment and environment in the longer term will be better for Thailand and it thus creates a long term partnership with the EU to promote well-being for employment issue through trade and development policy.

7.3.4 Development policy of the European Union

Under this approach, the EU sets out to increase its responsibility under development policy. These are:

1. *Trade for development;*
2. *Regional integration and cooperation;*
3. *Macroeconomics policies linked to poverty reduction;*
4. *Food safety and sustainable development strategies;*
5. *Strengthening institutional capacity; and*
6. *Good governance and the management of public affairs*

Therefore, selected projects/programmes and the EU's behavior in response to many situations can fall under these measures. On top of that, it corresponds to the three key factors. In addition, some issues of concern that still remain unsolved are human trafficking, labor abuses and human rights as some cases mentioned in Chapter 5.

From these cases, well-being factors involve and inter-connect with serious issues like human rights, labor abuses, freedom of expression, harassment, lacks of opportunity, migration, environmental concern, justice and human trafficking, among others. It is, therefore, realistically challenging for the EU and ASEAN to reach agreement under pressing situations. Although Singapore and Vietnam have already reached FTA trade deals with the EU bilaterally, each individual member states of ASEAN has a different level of development and conditions to comply with and to follow suit. As a result, there are various issues/factors to be considered and it takes time within ASEAN itself to reach an acceptable level of rules set by the EU.

7.3.5 The World after GDP

This approach paves a way forward for well-being to be more tangible in relation to GDP. The advance of technology empowers people to urge their governments to fulfill and respond to people's needs much more than the past. This can be done through social media platforms and online channels. This theory identifies this method as one of the key principles for the world to practice well-being economy.

With regard to selected key principles of this thesis, this finds that selected projects/programmes mentioned in Chapter 6 reflect the combination of efforts from characteristics of top down trends and bottom up pressures. In addition, new technologies via different platforms have been used to provide international and global assistance for those who seek different approach to sustainable development. This can explain new technology acts as the potential enabler to strengthen the issue of well-being.

By using all the selected key principles as can be seen below to analyze situations of well-being according to the World after GDP lens, one finds that well-being has been perceived by various sectors and by key informants.

- Data revolution: from vertical control to horizontal distribution,
- Challenging vertical power through governance innovation,
- Civil society at the core of governance,
- Local power and collective leadership, and
- From globalization to regionalization.

Although some may say that well-being is still vague in its meaning, for others see actions, collective efforts and proactive progress can be understood through global connectedness on many occasions such as Social Progress Index, Gross National Happiness, World Happiness Day, Sufficiency Economy Philosophy, among others.

Well-being is inalienable to economy and vice versa. The concept of well-being does not deny the progress and growth in terms of GDP. However, GDP is insufficient to measure progress and growth in any state. By applying the concept of well-being and measures/indicators that suit each country context,

other sectors concerning development will gain greater attention. People also have more options and thus are able to potentially address many problems and help building capacities such as inequality, stress-related diseases, fairer distribution of power, stronger civil rights, greater access to quality education, good governance, decentralization, collective power, higher opportunity for employment, respect of diverse social values, among others.

In particular, well-being has already gained attention at global level, the EU is considered the world's leader in regional grouping and it upholds EU values highly when interacting with potential partners worldwide like ASEAN. Both regions mention well-being in the Treaty of Lisbon, in a case of the EU, and for ASEAN in ASEAN Charter respectively. As a consequence, well-being is regionally and inter-regionally recognized and can be used as a soft power/soft diplomacy matter for these two regions to highlight and further collaboration.

As a result, well-being economy can be achieved. Some may argue that well-being is a concept that is intangible, yet we have seen concrete evidences such as projects/programmes and efforts at many levels to address the matter of well-being. This theory of the World after GDP is therefore extremely useful to be used as an analytical tool for this thesis.

7.4 Summary of Semi-structured Interview with key informants (A full transcription and analyses are provided in Appendix III)

Based on the interviews and discussions with key informants, the EU respects decision making and priority setting pursued and requested by any government when interacting with the EU. In other words, concerns from various origins is upheld and taken into account in response to the real needs of each partner.

Some key informants have reiterated that well-being is necessary and important when planning and executing projects/programmes at both national and international levels whilst some express that the EU has already promoted and practices well-being, the EU also underlines well-being in everything, so during the negotiation process it is not necessary to bring 'well-being' as the issue of concern on the table.

In general and traditionally speaking, well-being is seen as a domestic issue and a state's responsibility to provide basic services related to well-being to its citizens. The implementation of well-being is also on its rise. Paradoxically, some states still focus on economic growth whilst they announce that they would like their citizens to live happily and having a higher quality of life. In this regard, one can see that well-being and economy are able to work hand in hand, strategically and collaboratively.

Considering conceptual tools for analysis, all theories and approaches can indicate and reflect the expressions and statements voiced by key informants. Interestingly, well-being is a common knowledge although some think it is still a vague terminology. There are efforts at various levels to come up with new measures and relevant indicators to explain and implement well-being in different contexts.

In terms of trade and development, although either trade policy or development policy can be independent variable when one party pursuing relations with its partner, well-being can be in a strategic position to play a key role in fulfilling the aims of the trade and development policy.

Key informants agree with the three key factors, which can contribute to the implementation and measurement of well-being. However, there are more indicators under well-being which can be used such as GNH of Bhutan and other factors in the UN's SDGs as well as alternative approach like the Philosophy of Sufficiency Economy that can also be used to be a model for development, in particular for developing countries.

Key informants agree that well-being and relevant situations are related to the means and end goal of life and in particular for trade and development policy even though contexts and the extent to implementations are varied. Europeans have different perspectives and factors when discussing about well-being. Asian and ASEAN people differ in a sense that their way of life is considerably coincided with moderation and well-being. This kind of belief may come from the influence of Buddhism where the middle path way of life is a means to spending one's life conscientiously. In addition, ASEAN Member States and its region are very diverse and have population of over 600 million. There are other beliefs like Islam, Hinduism, Sikh, Christianity, among others within ASEAN region. In this regard, social and cultural contexts can be added and used as one of dependent variable to further investigate the issue of well-being.

In accordance with the results from five key theories and approaches after analyzing key informants' perspectives, old paradigm of thinking versus holistic thinking co-exists. This encourages all of us to think and act more purposefully and holistically and in line with integrity while paying attention to the continuation of works around well-being at many levels, in particular at inter-regional level that should be able to draw attention from the general public in creating more tangible evidence.

7.5 Research findings

Evidence from the research of this thesis found that subjective and objective well-being variables at inter-regional levels are addressed at some certain level as it is generally viewed that it is primarily a state's or a nation's responsibility to provide health, education and employment services to its citizens.

To elaborate, well-being and three key factors mentioned in this thesis are better studied when they are translated into an issue-based and/or a project/programme-based approach since each factor is inter-related. Each factor contributes its benefit(s) to one another as can be seen from previous chapters.

Therefore, the answers to five research questions will be provided as follows:

7.5.1 How does the EU's trade and development policy contribute to the well-being of countries in ASEAN since the inception of the Treaty of Lisbon?

The EU, as the biggest donor of aid and development, has been playing a key role in well-being since before the inception of Lisbon Treaty. Well-being sometimes is not an exact word that is used in the EU's operation of aid and development. The EU usually employs 'humanitarian aid' and 'development' in a variety of dimensions like education, health, inequality, capacity building, among others. Concerning 'humanitarian aid', the EU has extensively executed its operation in Africa and war-torn countries much more than that of ASEAN. In addition, this thesis does not focus on humanitarian aid as such.

With more power to execute external relations since the inception of the Treaty of Lisbon, the European Commission has greater legitimate power and opportunities than the past in pursuing external relations with partners around the world. Thus the EU has promoted 'well-being' as the goal of this Treaty through trade and development policy. The EU has also implemented policy via different mechanisms to help EU citizens and Member States to reach such aim. In particular, Europe 2020 Strategy specifies trade strategy, which was clearly planned, to strengthen the EU's visibility and capacity on the world stage. This strategy is also set out to consolidate and reinforce priorities that can help Member States deliver high levels of employment, productivity and social cohesion. The ambitious objectives of this Strategy are on employment, innovation, education, social cohesion and climate/energy.⁵²⁰ To put it simply, Europe 2020 is created to address jobs and growth strategy.

One of the EU's strategies, which directly and indirectly engage developing countries like most countries in ASEAN, clearly states that "a part of the growth that Europe needs to generate over the next decade will need to come from the emerging economies as their middle classes develop and import goods and services in which the European Union has a comparative advantage. As the biggest trading bloc in the

⁵²⁰ Europe 2020. Retrieved from <http://ec.europa.eu/europe2020/index_en.htm>. Accessed on 25 November 2018.

world, the EU prospers by being open to the world and paying close attention to what other developed or emerging economies are doing to anticipate or adapt to future trends.”⁵²¹

In addition, the EU has different schemes like ‘Aid for trade’ as well as ‘Trade for development’ in connection with trade and development policy to help promote well-being. However, well-being in this context does not only reflect health, education and employment factors directly. It is generally viewed as an overall picture of quality of life when interacting with partners like ASEAN, as one of key informants stated that “well-being is more likely a national responsibility rather than the matter posed by and from external partners.”⁵²²

According to the Council of Europe, “the well-being of one part of humanity is unattainable if another part is in a state of ill-being or if it is to be achieved at the expense of future generations who thereby inherit an uncertain world stripped of resources.”⁵²³

Therefore, well-being at societal and global levels has already taken root for some time. In the EU, there have been surveys regarding quality of life being conducted regularly. Also, evidence from research in terms of interconnectedness between personal well-being, social well-being have led society to open up a new mindset and paradigm in which ‘business as usual’ attitude is challenged.

For the EU and ASEAN, the contribution of well-being has been implemented via different projects/programmes. Selected projects/programmes mentioned appear to be a good example in reflecting how the EU shares its values and contributes technical and financial supports to ASEAN and its Member States. As a consequence, trade and development policy of the EU contributes to well-being when interacting with ASEAN. ‘Normative Power Europe’ and ‘Game theory’ can also be used to provide answer to this research question, for instance ‘Transference’ principle in a case of the former theory and ‘Stag Hunt Game’ in case of the latter. Both players normally go through formal channels of interaction as discussed and therefore norms and benefits appear accordingly.

⁵²¹ Europe 2020: A strategy for smart, sustainable and inclusive growth. Page 22-23. Retrieved from <<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2010:2020:FIN:EN:PDF>>. Accessed on 25 November 2017.

⁵²² An interview with Assistant Professor Charit Tingsabadh, Director of the Centre of European Studies, Chulalongkorn University, Bangkok, Thailand, on Wednesday 14 September 2016.

⁵²³ Ilona Kickbusch. Learning for Well-being: A policy Priority for Children and Youth in Europe. A process for Change. Universal Education Foundation. 2012. Page 23.

7.5.2 How has the EU conducted development and trade policy in relation to well-being when interacting with ASEAN?

In line with the UN 2030 Agenda for Sustainable Development, the EU promotes trade and development policy to help LDCs and developing countries across the world. With **the world's leading donor** of development aid, the EU **provides over 50% of all global development aid.**⁵²⁴

The importance of well-being is inherited in the Article 2 of the Treaty of Lisbon, which reads:

1. *The Union's aim is to promote peace, its values and the well-being of its peoples.*

In relation to trade and development policy, the Treaty of Lisbon also states as follows:

3. *The Union shall establish an internal market. It shall work for the sustainable development of Europe based on balanced economic growth and price stability, a highly competitive social market economy, aiming at full employment and social progress, and a high level of protection and improvement of the quality of the environment. It shall promote scientific and technological advance.*
*It shall combat social exclusion and discrimination, and shall promote social justice and protection, equality between women and men, solidarity between generations and protection of the rights of the child.*⁵²⁵

⁵²⁴ The EU's Development Policy. Retrieved from <https://ec.europa.eu/europeaid/policies/european-development-policy_en>. Accessed on 29 November 2017.

⁵²⁵ Treaty of Lisbon. Retrieved from <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.C_.2007.306.01.0001.01.ENG&toc=OJ:C:2007:306:TOC>. Accessed on 29 November 2017.

It is clear that well-being is one of the top priorities of the EU's agenda. In terms of inter-regional relations, the Treaty of Lisbon, Article 2, paragraph 5 enacts as "In its relations with the wider world, the Union shall uphold and promote its values and interests and contribute to the protection of its citizens. It shall contribute to peace, security, the sustainable development of the Earth, solidarity and mutual respect among peoples, free and fair trade, eradication of poverty and the protection of human rights, in particular the rights of the child, as well as to the strict observance and the development of international law, including respect for the principles of the United Nations Charter."⁵²⁶

Through collaborations with ASEAN and its Member States, the EU implements both trade and development policy. As mentioned earlier, joint projects/programmes and collaborative implementations are the best evidence. In general, the EU does not cancel relationship with ASEAN if well-being unrecognized in the negotiation process.

In accordance with the current EU practice of development, ASEAN Member States may fall under the development world category except for Singapore and Brunei. The EU regards 'development world' as "those states covered by the European Union's key development funding instruments-the European Development Fund (EDF) and the Financing Instrument for Development Cooperation (DCI)".⁵²⁷

Bandar Seri Begawan Plan of Action to strengthen ASEAN-EU enhanced partnership (2013-2017) is deemed a viable channel to respond to the EU's trade and development policy. This plan of action renewed ASEAN and EU commitment to strengthen Dialogue Relations, as affirmed in the Nuremberg Declaration on ASEAN-EU Enhanced Partnership (2007) and its Plan of Action.

In particular, the aim to help bridge the development gap for Cambodia, Laos, Myanmar and Vietnam or CLMV countries has been emphasized in the Plan of Action regarding economic cooperation with ASEAN as appears in Article 2.1.11., which reads "...continue to contribute towards narrowing the development gap within and between ASEAN Member States through the implementation of IAI Work Plan II for

⁵²⁶ Ibid.

⁵²⁷ Martin Holland and Mathew Doidge. Development Policy of the European Union. Palgrave Macmillan. 2012. Page 43.

Cambodia-Laos-Myanmar-Viet Nam (CLMV), as well as taking into account existing sub-regional cooperation frameworks;...⁵²⁸

More evidence appears in free trade agreement. The intensification and complementarity of development policy will be implemented along with trade policy, in particular 'Trade for All.' For instance, the 'Sustainability chapter', which appears in the FTA between the EU and Vietnam, particularly focuses on environmental issues and promote the development of international trade contributing to the objective of sustainable development.⁵²⁹ Therefore, the so-called value-based agenda will be pushed forward more than the past under trade and development policy of the EU.

On top of this, in order to respond to economic crisis, the EU came up with a more comprehensive and updated version of trade policy.⁵³⁰ The overarching aims of the EU trade policy are as follows:

- 1. Create a global system for fair and open trade*
- 2. Open up markets with key partner countries*
- 3. Make sure others play by the rules*
- 4. Ensure trade is a force for sustainable development*

It is worth noting that under the aim number 4 the EU is committed to helping people around the world trade their way out of poverty by opening up its markets to all imports from the world's poorest countries, and also works collaboratively to build the capacity to take advantage of trade.

At global level, the EU's trade policy helps reinforce other important international goals, which are:

⁵²⁸ Bandar Seri Begawan Plan of Action to Strengthen the ASEAN-EU Enhanced Partnership (2013-2017). Retrieved from

<http://www.consilium.europa.eu/uedocs/cms_Data/docs/pressdata/EN/foraff/129884.pdf>. Accessed on 30 November 2017.

⁵²⁹ EU and Vietnam FTA, Trade and Sustainable development. Retrieved from <http://trade.ec.europa.eu/doclib/docs/2016/february/tradoc_154229.pdf>. Accessed on 30 November 2017.

⁵³⁰ The EU Trade policy. Retrieved from <<http://ec.europa.eu/trade/policy/>>. Accessed on 30 November 2017.

1. *supporting the fight to protect our environment and reverse global warming;*
2. *striving to improve working conditions for workers in developing countries; and*
3. *ensuring the highest standards of health and safety for the products the EU*
*buy and sell.*⁵³¹

Trade and development are two sides of the same coin. Trade and investment are also considered the engine to mobilize and drive economic growth. Its contribution and wealth benefits development and create opportunities for those who are less fortunate. As the the EU clearly puts it as “the aim of the EU’s trade and development policy is to put trade at the service of inclusive growth and sustainable development.”⁵³²

Not only has trade policy of the EU been realigned towards a more sustainable approach, but it has also emphasized on the EU’s values. The new trade strategy of the EU, which appears in ‘Trade for All’, clearly states that “trade policy will become more responsible, meaning it will be more effective, more transparent and will not only project our interests, but also our values.”⁵³³ As Mr. Phillip Dupuis puts it as “...we also very much live by Agenda 2030 the UN Sustainable Development Goals. So they are in a way directing our trade policy, there are other components but this is important. Trade and sustainable development is important and there we look particularly at environment, but also we have a strong link to human rights and to democracy. That is some kind of core values that need to be promoted. We see trade policy as a vehicle to support an inclusive and sustainable growth...”⁵³⁴

‘Trade for development’ and ‘Regional integration and cooperation’ principles under ‘Development policy of the European Union’ approach can also be used to answer research question since they go in line with other principles mentioned in ‘Trade for All’, ‘Sustainability Chapter’, SDGs, among others.

⁵³¹ Ibid.

⁵³² The EU’s Trade and Development in a nutshell. Retrieved from <<http://ec.europa.eu/trade/policy/countries-and-regions/development/>>. Accessed on 1 December 2017.

⁵³³ Trade for All: Towards a more responsible trade and investment policy. Retrieved from <http://trade.ec.europa.eu/doclib/docs/2015/october/tradoc_153846.pdf>. Accessed on 1 December 2017.

⁵³⁴ An interview with Mr. Philipp Dupuis, Minister Counselor, Head of the Economic and Trade Section, EU Delegation, Bangkok, Thailand. Thursday 30 September 2016.

7.5.3 Apart from health, education and employment factors, what are other key indicators which can be used to reflect and measure well-being for both regional groupings?

Three key factors can partially be used to measure the interaction between the two regions. However, from interview with key informants, the three factors are more likely a national concern to implement and fulfill the needs required by citizens. The three key factors therefore can be viewed as additional measures for progress and growth. Well-being of ASEAN and the EU are differently prioritized. As a consequence, the three key selected factors 'are not directly put on the table when negotiating in accordance with trade negotiation. Rather, these may meet supports and assistance under development policy in response to the needs and priorities requested by ASEAN Member States.'⁵³⁵

Some other indicators in the case of developing countries, additional barriers like poverty and inequality can make it impossible for low-income earners to reap the benefits of enhanced opportunities. The extreme restrictions as a result of poverty can leave these people without the ability to use new possibilities, which is likely the usual outcome of the existing education systems. A major challenge is to improving opportunities and quality of education as well as providing easier access for the least well-off citizens in developing countries.⁵³⁶

Let's take Thailand for instance as an alternative approach to well-being and measurement. According to Mr.Thanin Pa-em, Thailand has been implementing the National Economic and Social Development Board Plan since 1961 and thus encouraging all parties to achieve the goals. However, it is worth noting that "...His Majesty King Bhumibol created the Philosophy of Sufficiency Economy to help address the quality of life. Such philosophy needs to be applied since there is no instant formula to success. The question is when one measures happiness, how can we do that? It is really subjective. We cannot say that we are happier than Laotian. Nowadays we have Happy Planet Index (HPI); Costa Rica came top of the chart for five consecutive years. Thailand ranked number nine. In this regard, the concept of well-

⁵³⁵ An Interview with Mr.Philipp Dupuis, Minister Counselor, Head of the Economic and Trade Section and Mr. Jerome Pons, Head of Cooperation, Thailand and Malaysia, EU Delegation, Bangkok, Thursday 30 September 2016.

⁵³⁶ Hans Pitlik and Martin Rode. Free to choose? Economic freedom, relative income, and life control perceptions. International Journal of Wellbeing, 2016. Page 96.

being had been developed since NESDB Plan 8th. When we reached Plan 9th, we further developed indicators and measurement, and eventually it is now called Green and Happiness index. As a result, we have indicators namely well-being, warm family, and strong community, as well as resilient and fair economy-this means fair distribution...⁵³⁷

From key informants' perspectives, it can also be concluded that factors of well-being are prioritized variably in accordance with priority setting of each state. From selected projects/programmes, Thailand, Vietnam and Indonesia interacted with the EU based on their needs. The EU thus provided financial and technical assistance accordingly. As a consequence, it depends on urgent needs, planning and agenda setting in relation to well-being and its factor when ASEAN and its Member States wish to interact with the EU via trade and development policy. In this regard, other feasible factors can be taken from SDGs, inequality, economic opportunity and empowerment, among others.

'The World after GDP' approach, for example 'Data revolution: from vertical control to horizontal distribution' principle can be used to further explain how globalization force can have an impact on governments to change their traditional approach of power to the distribution of power to different institutions and people. As a consequence, well-being can be the issue of people at every level, not just a state's responsibility only.

7.5.4 How can well-being be measured in the context of inter-regional relations?

There are different approaches and methods offered by various institutions. One of them is OECD's, which has a clear definition and approach in which it encourages countries around the world to use its method as a tool to measure well-being. One example is the dedicated website named 'oecdbetterlifeindex', which can be found via <http://www.oecdbetterlifeindex.org/#/111111111111>. It allows interested parties to participate in the measurement initiated by OECD. To elaborate further, OECD uses responses and compiled them so that the general public can use it as a trusted reference.

⁵³⁷ An interview with Mr. Thanin Pa-om, Deputy Secretary General of the National Economic and Social Development Board (NESDB), Bangkok, Thailand, on Wednesday 14 September 2016.

Under this initiative, for regional grouping, well-being can be measured against nine topics, which are income, jobs, health, access to services, environment, education, safety, civic engagement and housing. After that, score will be calculated for each topic so that one can compare places and topics within and across countries.

So far, more than 100,000 users of the Better Life Index around the world have shared their views on what makes for a better life. This website also encourages people who are interested to find out more and participate in the initiative. Interestingly, from this interactive map on the website, one can preliminarily conclude the comparative state of well-being with different countries around the world. For instance, users who responded to the questions from Germany ranked 'Job' as priority, respondents from France majored 'Health' whereas respondents from Singapore and Thailand picked 'Life satisfaction' the top.⁵³⁸

Since there are different terms related to well-being and they have been recognized by many people across the globe, to set a common approach as one definition and one pattern to well-being is insufficient. The ultimate goal of life, in accordance with Aristotle, is "...verbally there is very general agreement; for both the general run of men and people of superior refinement say that it is happiness, and identify living well and doing well with being happy; but with regard to what happiness is they differ, and the many do not give the same account as the wise..."⁵³⁹

In addition, Aristotle's concept of 'Eudaimonia' or commonly translated as 'happiness' but a closer and more accurate translation is 'human flourishing' or 'well-being'. Other terms are also widely used such as 'life satisfaction', 'happiness', and 'quality of life'.

Normally, well-being can be divided into subjective and objective well-being. There is also an opposite side of well-being, which is 'ill-being.' To illustrate, when asked two groups of respondents living in two different environments, those who live in a rural area "placed an emphasis on food security in their definitions of poverty, ill-being and vulnerability, as well as lack of work, money and assets. They also emphasized the vulnerability of particular groups within the community: the old, the disabled, female-

⁵³⁸ What matters most to people around the world? Researcher of this thesis used an interactive map and its information from <<http://www.oecdbetterlifeindex.org/responses/#>>. Accessed on 5 December 2017.

⁵³⁹ Nicomachean Ethics by Aristotle. The Internet Classics Archive by Daniel C. Stevenson, Web Atomics. Retrieved from <<http://classics.mit.edu/Aristotle/nicomachaen.mb.txt>>. Accessed on 7 December 2017.

headed households and those living alone, isolated from social networks. The definitions of those who live in an urban setting place far more emphasis on the immediate living environment: crowded and unsanitary housing, lack of access to water, dirty and dangerous streets and violence both within and outside the household.”⁵⁴⁰

At an international level, it is important to note that well-being notion created an impact on the frame of dependent thinking by reducing economic dependence of developing countries on the West.⁵⁴¹ However, statistics of trade and development between the EU and ASEAN for the past few years indicated that trade and development policy and practice still play a crucial role in developing trade relations as well as development cooperation sphere.

It is widely known as a basic fact that policymakers and decision makers use indicator of progress to help design policy and evaluate performance. Still, there is a wide concern over GDP and that is it only measures the total market value of the goods and services produced by a nation's economy during a given year. Even then, institutional architecture and public policy around the world have primarily evolved around maximizing GDP.

GDP does not fully capture social progress. There is a need to bring in other relevant, measureable, and changeable constructs that can be defined and operationalized. Therefore, well-being or social progress measures which integrates hedonic well-being (feeling good) and eudaemonic well-being (functioning well) is the way to go.

Individuals, organizations, governments, regional organizations may decide which domains of well-being are of utmost importance, make sound judgment how they compare to others, and provide strategic plans to mobilize change. In addition, the recent global effort of Social Progress Index and its Measures can also be an alternative approach.

⁵⁴⁰ Participatory Approaches and the Measurement of Human Well-being. Retrieved from <http://www.welldev.org.uk/research/workingpaperpdf/wed08.pdf>. Page 14. Accessed on 7 December 2017.

⁵⁴¹ Well-being in Developing countries: conceptual foundations of the WeD Programme. Retrieved from <http://www.welldev.org.uk/research/workingpaperpdf/wed19.pdf>. Page 9. Accessed on 7 December 2017.

In addition, as Professor Lorenzo Fioramonti puts it “According to the SDGs and the Agenda 2030, well-being should be mainstreamed, in my view, in all policies. Trade, development, plans, investment, you name it. All of these policies related to change should be parring with well-being. So I think the SDGs/Agenda 2030 and your entry points are the one to go, the ones to use to make sure that well-being make it into the conversations.”⁵⁴²

Apart from that, ‘Well-being Manifesto’ can be used to provide guideline and benefits for regional collaboration since this approach offers a soft intervention/ soft power approach, including practical ideas to be used at national context.

7.5.5 Which channel can the EU and ASEAN best pursue their inter-regional relations?

The EU and ASEAN have key fora to reach agreements such as ASEAN–EU, Asia-Europe Meeting (ASEM), ASEAN Regional Forum (ARF), among others. Regarding development, the EU’s engagement carries various main goals, some of them are “promoting sustainable policies to meet global challenges related to security such as climate change, energy security, cyber and space security, environmental protection, eradication of poverty, addressing economic imbalances, disaster and pandemic prevention as well as gender issues.”⁵⁴³

With regard to trade, the EU’s interest aims to respond to “protecting the economic and trade interests of the EU and its Member States, Free Trade Agreements (FTA) and Partnership Agreements serve this purpose not least in view of competing regional processes e.g. the Trans-Pacific Partnership (TPP) and Regional Comprehensive Economic Partnership (RCEP) reflecting competition between the US and China.”⁵⁴⁴

⁵⁴² An interview with Professor Lorenzo Fioramonti, Director of the Centre for the Study of Governance Innovation, University of Pretoria, South Africa. Monday 20 March 2017.

⁵⁴³ EU-Asia Factsheet. Retrieved from <http://eeas.europa.eu/factsheets/docs/20140714_factsheet_eu-asia_en.pdf>. Accessed on 14 December 2017.

⁵⁴⁴ Ibid.

Under the Treaty of Lisbon, development is at the heart of every policy whereby well-being of the EU citizens can be fulfilled through different schemes including international and regional collaborations. In addition, international and regional relations between the EU and ASEAN on development issues have phenomenal evidences involved which need to be more scrutinized whether the success and collaboration are classified into the EU's achievement and that of ASEAN.

This can be concluded that there are two most appropriate channels for the EU and ASEAN to maintain their relations. The first one is through ASEAN's three community pillars, which are 'Political-Security Community', 'Economic Community' and Socio-Cultural Community.' Each pillar holds key issues that the EU can offer assistance or provide necessary interventions, while ASEAN can request or collaborate. Of course, that is at ASEAN level. The second one is through bilateral agreements between the EU and each ASEAN Member States as evidence shown in Chapter IV, V and VI.

'Normative Power Europe' and 'Game theory' can also be used to provide answer to this research question, for instance 'Transference' principle in a case of the former theory and 'Stag Hunt Game' in case of the latter. Both players normally go through formal channels of interaction as discussed and therefore norms and benefits appear accordingly.

Concerning the matrix of key indicators proposed by the researcher of this thesis, summary is relayed below.

Indicators	Low tendency (Less recognized when conducting trade and development policy)	Medium (Somewhat recognized when conducting trade and development policy)	High Tendency (Highly Recognized when conducting trade and development policy)
Health	-	-	-

Employment	-	-	-
Education	-	-	-

Overall, key informants agreed that these key factors are important but relations between the two regional blocs have involved many areas. The three key factors were viewed that it is an initial responsibility of a state to deliver to its citizens. It is very difficult to calculate how much each factor is valued when it comes to negotiation process. Therefore, tallying and point calculation of three key factors are not applicable here.

To a greater extent, The EU would lend a hand to ASEAN when supports and assistance are requested to address issues such as technical assistance in regional integration, poverty reduction, education and health, among others.

Secondly, when two states or regions negotiating, it is usually conducted in accordance with a bigger picture and agenda prepared in advance. After interview with key informants, the matrix of key indicators is useful at some certain level. In reality, it takes more issues to reflect the whole picture of negotiation. Yet, three key factors are very important.

Lastly, although well-being is globally known and recognized, it is still considered a vague term. To materialize it, there is a need to put it in a context or even contexts. In fact, different contexts offer different meanings of well-being. Basic approach to understanding and to measuring it can fall under subjective well-being and objective well-being. Inter-regional relations and well-being through trade and development policy may require joint agenda setting to address either regional or global issue where less competitive region can contribute their efforts with a sense of responsibility for their own future as evidence provided in this thesis, particularly in Chapter IV, V and VI.

7.6 Policy Recommendations

For ASEAN, it looks forward to addressing inter-regional concerns like well-being and sustainable development issues. By identifying good practices and setting regional norms can attract a friendlier atmosphere of collaboration with other blocs.

ASEAN also tries to push forward more in terms of results-oriented principle and results-based policy in addition to innovative approach and tools for effective evaluation. On top of that, ASEAN continues to work and seek best practices across different policy areas and themes within ASEAN Community itself and further afield, whereby setting standards and norms is also a part of strategy.⁵⁴⁵

Therefore, there are five policy recommendations, which could help guiding individuals, states and regional groupings, namely the EU and ASEAN in this equation, to consider bringing 'well-being' on the table when negotiating and in the process of policymaking and implementation.

7.6.1 A new paradigm of thinking is indeed needed by providing opportunities for non-economic dimensions to play a key role

The growth of economy does not cover the whole process of economic activities. Traditionally, GDP helps measure input and output made, however real outcome and impact of economic activities have unlikely been brought into account. For instance, health concerns, natural depletion and environmental deterioration, relocations, among others, are basic factors and dimensions that need more focus. Although well-being is basically divided into subjective well-being and objective well-being, "the non-economic dimension of objective well-being has shown that economic development should not be measured by purely economic indicators because that way one can have an insight into the complete picture."⁵⁴⁶

⁵⁴⁵ ASEAN. Report of the ASEAN Regional Assessment of MDG Achievement and Post-2015 Development Priorities. Retrieved from <http://www.asean.org/storage/images/2015/November/27th-summit/ASCC_documents/Report%20of%20the%20ASEAN%20Regional%20Assesment%20of%20MDG%20Achievement%20and%20Post2015%20Development%20Priorities.pdf>. Page 46. Accessed on 19 December 2017.

⁵⁴⁶ Anita Frajman Ivkovi , Marija Ham and Josipa Mijo . Measuring Objective Well-Being and Sustainable Development Management. 2014. Retrieved from <http://www.scientificpapers.org/wp-content/files/1443_FRAJMAN_IVKOVIHAMMIJO-Measuring_Objective_Well-Being_and_Sustainable_Development_Management.pdf>. Accessed on 19 December 2017.

When it comes to politics, national interests and power are commonly discussed; however it is time to rethink the goal of politics. In *The Politics of Happiness*, law Professor Derek Bok, a former Harvard president, offered that politics should “promote well-being rather than wealth. This is both necessary and timely rests on two key points: first, that there is an increasingly solid body of evidence about the causes of happiness and its individual, social and environmental benefits; and second, that most people are unaware of and need education about what will give them lasting satisfaction.”⁵⁴⁷

7.6.2 Address Global challenges while utilizing Innovation for well-being

Holistic dimension of trade and development policy complements the well-being of people and regions. GDP only provides a dimension of economic growth in terms of figures and statistics. It does not give the whole picture of progress and growth. A leading scholar, Professor Lorenzo Fioramonti, interestingly coins the term GDP as “Gross Domestic Problem”, as appears in his famous book ‘Gross Domestic Problem.’

Key principles such as quality of life, equality, social justice and redistribution are the big question when one measures success or growth with GDP only. On top of that, “GDP is increasingly a poor measure of prosperity. It is not even measure of prosperity.”⁵⁴⁸

One can learn an effort in tackling greenhouse effect from Europe in which it has disconnected economic growth from CO2 emissions over the last 25 years when compared to the rest of the world. However, the EU is still emitting 10 percent of the global greenhouse gas even though the region has world population share of just below 7 percent.⁵⁴⁹

⁵⁴⁷ Felicia Huppert. Happiness breeds prosperity. Retrieved from <http://www.nature.com/nature/journal/v464/n7293/pdf/4641275a.pdf>. Page 1275-1276. Accessed on 24 December 2017.

⁵⁴⁸ The Economist. The Trouble with GDP. Retrieved from <http://www.economist.com/news/briefing/21697845-gross-domestic-product-gdp-increasingly-poor-measure-prosperity-it-not-even>. Accessed on 24 December 2017.

⁵⁴⁹ Sustainability Now! A European Vision for Sustainability. Retrieved from

There are also other factors related to land, water and energy, which are further expansion land use and exploitation, additional impact of climate change, price volatilities, sustained price increases, scarcities and distributional conflicts. All these factors need to be addressed at local, national and global levels.

Apart from those mentioned factors, population growth, population density and urbanization, which are happening around the world can be significant determinants, thus we can use them as measurable account or benchmark in justifying progress of nations in connection with GDP.⁵⁵⁰

Well-being work well through collaborative and innovative perspectives in which leaders and networks around the world place their interests and work towards creating a big impact on society. At global level, there is an effort led by Bill and Melinda Gates, USAID and Grand Challenges Canada to address global health and development problems for most in need around the world.⁵⁵¹

Foundation and charity also play a critical role in making changes and impacts on communities and innovative ideas. For instance, Bill and Melinda Gates Foundation, works “to help all people lead healthy, productive lives, focused on health, poverty, and opportunity.”⁵⁵²

Global institution such as OECD promotes innovation in the heart of its growth strategy. The recent conference of G20 in China, the main focus was “a central focus of China’s G20 presidency has been the need to identify new driving forces for economic growth. The OECD has contributed ideas, analysis and data in support of the Presidency’s goal to integrate an Innovation Action Plan which aims to support investment in science and technology, improve skills and encourage the exchange of knowledge.”⁵⁵³

<https://ec.europa.eu/epsc/publications/strategic-notes/sustainability-now_en#h-3-9>. Page 7. Accessed on 25 December 2017.

⁵⁵⁰ Ibid.

⁵⁵¹ Grand Challenges. Retrieved from <<http://grandchallenges.org/>>. Accessed on 29 December 2017.

⁵⁵² Gates Foundation. Retrieved from <<https://twitter.com/gatesfoundation>>. Accessed on 29 December 2017.

⁵⁵³ OECD to help put innovation at heart of G20 global growth strategy. Retrieved from <<http://www.oecd.org/g20/summits/hangzhou/oecd-to-help-put-innovation-at-heart-of-g20-global-growth-strategy.htm>>. Accessed on 29 December 2017.

7.6.3 Put well-being in the heart of policymaking

Although the practice of using GDP is still there, well-being can be potentially considered since it is not merely a concept at individual level but it has been academically and globally accepted. In addition, it orchestrates with sustainable development goals or SDGs. GDP may statistically provide instant gratification faster than that of social progress can do. However, bringing well-being and sustainability into calculation of progress and growth will reflect a real picture of development.

It is necessary to develop different measures rather than relying on GDP purely when considering progress and growth. There is also a limit of GDP when assessing social, cultural and environmental dimensions. Moreover, strategy and policy coherence to address social progress and sustainable development requires local, national, regional and global policies to achieve a common goal.

Actors at local, national and global levels are encouraged to commit transformative changes in addition to coherence empowerment. Policy decision in one country can affect regional and global repercussions whether it is negative or positive policy making process.⁵⁵⁴

More examples of concrete effort is that the EU envisions a sustainable society as a place “where economic growth is compatible with planetary boundaries and fairly distributed among its citizen.”⁵⁵⁵

The EU also believes that sustainability can well be European brand in which the EU can lead the role in tackling a societal challenges such as poverty, hunger, nutrition, sustainable agriculture, more healthy

⁵⁵⁴ Global trends and challenges to sustainable development post-2015. Retrieved from

<http://www.un.org/en/development/desa/policy/wess/wess_current/wess2013/Chapter1.pdf>. Page 21-22. Accessed on 31 December 2017.

⁵⁵⁵ Sustainability Now! A European Vision for Sustainability. Retrieved from

<https://ec.europa.eu/epsc/publications/strategic-notes/sustainability-now_en#h-3-9>. Page 8. Accessed on 31 December 2017.

lives and equitable quality-education for all, gender equality, access to clean water and renewable energy, inclusive economic growth and decent work for all, inter alia.⁵⁵⁶

In connection with this, a recent effort made in Europe concerning measurement of well-being is interesting. For instance, there were simple questions used in a research conducted by Felicia A. Huppert and Nic Marks, et al. on 'Measuring well-being across Europe: Description of the ESS Well-being Module and preliminary findings.' Example of questions appears below:

Personal Feelings 1. *I'm always optimistic about my future.*

2. *In general, I feel very positive about myself.*

3. *At times I think I am a failure.*

4. *On the whole my life is close to how I would like it to be.*

*[Response code: 1 - Agree strongly, to 5 – Disagree strongly]*⁵⁵⁷

At regional level, the EU provides statistical services concerning indicators on a wide range of issues under Eurostat. Eurostat's mission is "to provide high quality statistics for Europe. While fulfilling its mission, Eurostat promotes the following values: respect and trust, fostering excellence, promoting innovation, service orientation, and professional independence."⁵⁵⁸ There are ten thematic frameworks for monitoring the EU Sustainable Development Strategy, which are 1) socioeconomic development, 2) sustainable consumption and production, 3) social inclusion, 4) demographic changes, 5) public health,

⁵⁵⁶ Ibid.

⁵⁵⁷ Felicia A. Hupper, Nic Marks, Andrew E. Clark, Johannes Siegrist, Alois Stutzer, et al.. Measuring well-being across Europe: Description of the ESS Well-being Module and preliminary findings. PSE Working Papers n2008-40. 2008. Retrieved from <<https://halshs.archives-ouvertes.fr/halshs-00586267/document>>. Accessed on 2 January 2018.

⁵⁵⁸ Eurostat: Your key to European Statistics. Retrieved from <http://ec.europa.eu/eurostat/web/sdi/indicators/complete-set-of-indicators?p_p_id=NavTreeportletprod_WAR_NavTreeportletprod_INSTANCE_o8GUjdCZsxiV&p_p_lifecycle=0&p_p_state=normal&p_p_mode=view&p_p_col_id=column-2&p_p_col_count=1#>. Accessed on 2 January 2018.

6) climate change and energy, 7) sustainable transport, 8) natural resources, 9) global partnership, and 10) good governance.⁵⁵⁹

One indicator, which is related to inter-regional relations, is that of 'Global partnership.' To elaborate, under the section of Global partnership there are sub topics such as Globalization of trade, Financing for Sustainable development, among others for interested parties to use the statistics and indicators as accurate reference.

7.6.4 Complement existing strategy with constructive engagement and synergize it with public participation approach

One size does not fit all. Diverse components and multiple approaches can complement one another in addressing well-being factors as well as SDGs. Traditional growth model is no longer effective and insufficient to keep up with changes as well as challenges. Different social measurement index complements GDP.

Recently, the World Economic Forum came up with an interesting research, which offered a new way to measuring progress. A question asked is "Which countries are best at converting economic growth into well-being?" Together, it composes of 10 dimensions of well-being (SEDA's 10 Dimensions of well-being).

While economic outputs still play an important role in a person's life, this measurement offers dimensions to complement an economic aspect. This is to find a more balanced wealth of economic and living growth. This also demonstrates that well-being is not only well accepted in terms of idea but also in the practical sphere of implementation.

⁵⁵⁹ Eurostat. The indicator framework for monitoring the EU Sustainable Development Strategy. Retrieved from <<http://ec.europa.eu/eurostat/web/sdi/indicator-framework>>. Accessed on 2 January 2018.

When looking at different angle of well-being and sustainable development via competitiveness lens, it is worth mentioning Global Competitiveness Index in order to reflect how well each country/region is doing vis-à-vis the global competitiveness framework (this information is provided in Appendix II.).

7.6.5 Implement well-being as key contributor and enabler of cross cutting issue.

Lastly, implement well-being as key contributor and enabler of cross cutting issue. Both ASEAN and the EU have increasingly recognized the importance of well-being in relation to trade and development policy. On top of that, sustainability is the key to running business in the private sector as well as in the public sector.

For ASEAN, SDGs and sustainability have been put in the heart of regional integration, though there is a need for more cross-sectoral coordination and policy integration. ASEAN has been trying to address and respond to regional issues with a more sustainable approach and in accordance with ASEAN Charter and ASEAN Blueprint 2025 through internal cooperation and inter-regional collaboration.⁵⁶⁰

Considering the EU in relation to the issue of well-being, as already mentioned that the EU is the biggest donor of development aid. As a result, the EU is considered a global actor in development and trade. Many efforts of the EU can be seen through supports provided to less developed countries and regions. Internally, the EU has developed sets of indicators to measure real GDP and sustainability. Some indicators are such as 'Innovation, competitiveness and eco-efficiency', 'Social Inclusion', 'Education', 'Demographic changes', 'Transport impacts', 'Financing for sustainable development', 'Good governance,

⁵⁶⁰ Simon H. Olsen, Shom Teoh and Ikuho Miyazawa. ASEAN Community and the Sustainable Development Goals: Positioning Sustainability at the Heart of Regional Integration. 2015. Page 60. Retrieved from <[https://www.researchgate.net/publication/282567476 ASEAN Community and the Sustainable Development Goals Positioning Sustainability at the Heart of Regional Integration](https://www.researchgate.net/publication/282567476_ASEAN_Community_and_the_Sustainable_Development_Goals_Positioning_Sustainability_at_the_Heart_of_Regional_Integration)>. Accessed on 12 January 2018.

among others. There are also other categories and sub-indicators which indicate how GDP alone cannot present a full fact of progress.⁵⁶¹ In this connection, policy options will be presented in Appendix IV.

7.7 A Way Forward

A lesson learned can be taken from the EU's model in favoring economic convergence to strengthen regionalism. In this regard, the EU introduced various funds aimed at bridging the development gap between richer and poorer areas. In addition, different types of funds were created for financing regional convergence, these are 1) Structural funds—including the European Regional Development Fund (ERDF) and the European Social Fund (ESF); 2) the Cohesion Fund; and 3) other funds contributing indirectly to developing backward regions, such as the European Agricultural Guarantee Fund, the European Agricultural Fund for Rural Development, and the European Fisheries Fund.⁵⁶²

It is worth mentioning the ERDF since its focus is on economic and social issues. It aims to address uneven regional development by promoting 1) direct investment in private sector enterprises, in particular small and medium sized enterprises to encourage employment generation; 2) investment in infrastructure to support innovative business activities that protect the environment and to promote sector development in energy, telecommunications, and transport; and 3) financial market development to enhance regional cooperation initiatives. The fund also supports technical assistance programs to targeted areas.⁵⁶³

This is in line with SMEs and entrepreneur development plan at ASEAN level, which are ASEAN Strategic Plan for SME Development 2010-2015 and ASEAN Strategic Action Plan for SME Development 2016-2025. A key point of recommendation at policy level is that it encourages policymakers to realize how entrepreneurship can lead ASEAN to prosperity and peace, in which it potentially helps alleviate poverty,

⁵⁶¹ Sustainable development indicators. Retrieved from <http://ec.europa.eu/eurostat/web/sdi/indicators/complete-set-of-indicators?p_p_id=NavTreeportletprod_WAR_NavTreeportletprod_INSTANCE_o8GUjdCZsxiV&p_p_lifecycle=0&p_p_state=normal&p_p_mode=view&p_p_col_id=column-2&p_p_col_count=1>. Accessed on 12 January 2018.

⁵⁶² Ibid. Page 230.

⁵⁶³ Ibid.

bridge development gaps; overall that is an instrument for prosperity. Moreover, there is a need for Micro, Small, and Medium Enterprises (MSMEs) to proactively explore opportunities and be able to take advantage of such opportunities. To cope with this competitive environment, ASEAN MSMEs need to take measures based on the time-bound priority of actions under the ASEAN Strategic Action Plan for SME Development 2016-2025, these are as follows:

- *First five years: To seamlessly integrate with the AEC and the regional value chains; and*
- *Subsequent five years: To become globally competitive, innovative, inclusive and resilient.*⁵⁶⁴

This is encapsulated and echoed as Vision and Mission statement of such Plan and clearly stated as can be seen below:



Figure 7.2: Vision and Mission Statement of ASEAN Strategic Action Plan for SME Development 2016-2025

Source: ASEAN. ASEAN Strategic Action Plan for SME Development 2016-2025. 2015.

⁵⁶⁴ ASEAN. ASEAN Strategic Action Plan for SME Development 2016-2025. Retrieved from <http://asean.org/storage/2015/12/SAP-SMED-Final.pdf>. 2015. Page 1. Accessed on 25 January 2018.

Other tangible plans are 1) Factor-driven economies in ASEAN, which focuses on emphasizing high quality education and learning opportunities at all levels; 2) Efficiency-driven in ASEAN, which prioritizes STEM or even STEMA learning, connecting with global economies and technology-based innovation and 3) Innovation-driven economies in ASEAN. This last point interestingly comprises:

- *Work towards quality of enterprises as opposed to quantity. Support R&D efforts that offer high end growth opportunities that create global companies.*
- *Encourage greater collaboration with regional and international R&D initiatives.*
- *Attract, incentivize and retain talent for key industries that are strategically important for the economy.*⁵⁶⁵

In Chapter II, this thesis already discusses and employs Figure 7.6 and 7.7 mentioned below in capturing well-being relationship between subjective well-being and objective well-being. In addition, objective well-being can also be divided into economic dimension and non-economic dimension. The most widely known indicator of economic dimension is GDP.

In contrast, non-economic dimension of objective well-being can use international indicators such as education, happiness, social development, rule of law, human rights and indicators that cover environmental aspects to measure.⁵⁶⁶

⁵⁶⁵ IDRC. ASEAN Regional Entrepreneurship Report 2014/2015. Driving ASEAN Entrepreneurship: Policy Opportunities for inclusiveness and sustainable entrepreneurial growth. 2016. Page 81-82.

⁵⁶⁶ Anita Frajman Ivkovi . Marija Ham and Josipa Mijo . Measuring Objective Well-Being and Sustainable Development Management. Journal of Knowledge Management, Economics and Information Technology. Vol. IV, Issue 2, April 2014. Retrieved from

<http://www.scientificpapers.org/wp-content/files/1443_FRAJMAN_IVKOVHAMMIJO-Measuring_Objective_Well-Being_and_Sustainable_Development_Management.pdf>. Page 13.

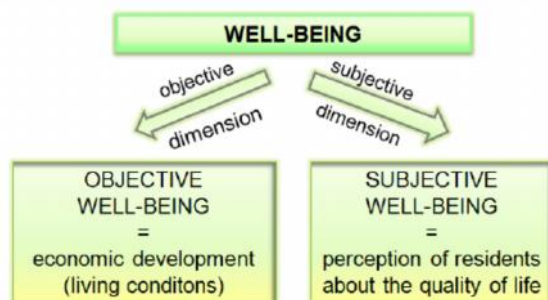


Figure 7.3: Dimensions of well-being

Source: Anita Frajman Ivkovi et al. Measuring Objective Well-Being and Sustainable Development Management. Journal of Knowledge Management, Economics and Information Technology. 2014.

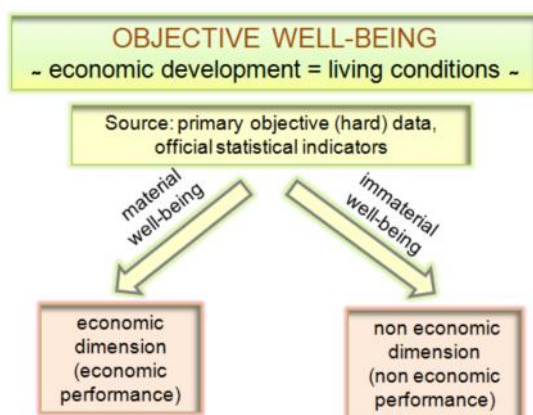


Figure 7.4: Dimensions of objective well-being

Source: Anita Frajman Ivkovi et al. Measuring Objective Well-Being and Sustainable Development Management. Journal of Knowledge Management, Economics and Information Technology. 2014.

As a consequence, by using this concept in addition to all evidence found, the author of this thesis would like to propose an alternative model in helping analyze and explain inter-regional relations via Trade and Development policy in relation to well-being, in this case the EU and ASEAN, as an initial step and thus it can be used to maximize the understanding of inter-regional relations between both blocs via Trade and

Development Policy and key issues of well-being. The conceptual model in this regard is entitled **'Wellbeing-based Decision Making'**, which is relayed below and further elaborated in greater detail in Appendix II.

7.8 Wellbeing-based Decision Making

One crucial benefit arising from the research conduct of this PhD thesis, it creates opportunity to develop a conceptual framework, which is capable of analyzing the issue of well-being at an inter-regional relations level.

Moreover, it is developed to function as an analytical tool to help individual, organization and community as well as regional players and global players to look at well-being at a greater scope.

There are one conceptual model and two sub-systems of process proposed by the researcher in which they aim to help analyze each stage of well-being systematically when it involves the interaction between the EU and ASEAN under Trade and Development Policy from the beginning to the end of the process.

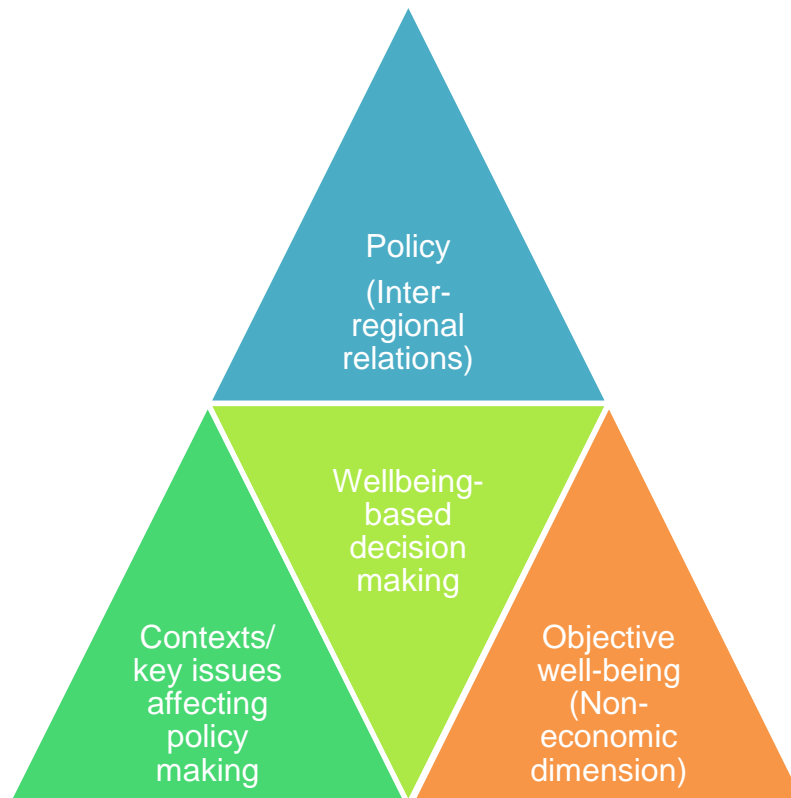


Figure 7.5: Wellbeing-based decision making model

Source: A conceptual model developed by the author of this thesis

7.8.1 Definition

Wellbeing-based decision making is a conceptual framework reflecting a process of a player or actor at many levels who wishes to achieve a goal of well-being and in the process of policymaking in relation to well-being. When all the three factors depicted in the conceptual framework merge or converge, it is highly likely that the mobilization and/or transformation of change(s) in relation to well-being can occur and is able to create an impactful result and outcome.

7.8.2 Explanation of Each Factor in the Conceptual Framework

- **Policy (at Inter-regional relations level)**

This factor is at the top of pyramid as it indicates the willingness and commitment of players to interact with one another via policy. In addition, it reflects how actors formulate and conduct policy whether it is trade or development policy or other policies such as security, environment or energy, among others, in order to gain and maintain relations with other players. Moreover, it has a clear agenda setting for players to negotiate for mutual interests. In addition, the policy pursued reflects the end goal that helps well-being and its factors to be fulfilled.

- **Objective well-being (Non-economic dimension)**

Since well-being values different factors rather than relying on GDP alone, agenda and agreed objectives based on projects/programmes that players wish to pursue can be viewed as a desirable asset. Of course, subjective well-being is important; however the matter of inter-regional relations can provide collaborative action and thus it helps create mutual prosperity at a bigger scope. As a result, non-economic well-being under objective well-being is regarded here.

- **Contexts/ key issues affecting policy making**

Although inter-regional relations mainly focus on regional players such as the EU and ASEAN, social and cultural contexts as well as situations arising in different regions can be brought to consider. This includes guidelines, trends and concerns at global, regional and community levels, which can potentially create a wider and greater impact on individual and societal levels.

7.8.3 How Wellbeing-based decision making works

Scenario 1-Best case scenario: well-being is at the heart of negotiation via Inter-regional relations.

Under this scenario in relation to the Wellbeing-based decision making, one can use such concept in collaboration with the two sets of process mentioned below.

Let's look at variables mentioned in Process 1: Cycle of Process in Delivering Well-being as Stage 1.

Policy—means Policy at Inter-regional relations level, i.e. Trade and Development Policy in this respect.

Well-being—means an ultimate aim comprising various factors that are agreed and valued by countries or regions in order to bring about positive impact on quality of life and thus create enabling environment leading to sustainable development and well-being.

Subjective well-being—means factors in which individuals seek to fulfill his/her personal life or desire to enjoy its benefits such as personal happiness, health, shelter, among others, in order to reach his/her quality of life, basically these factors cover internal needs of a person.

Objective well-being—means external living conditions that a person or a country aims to achieve. It deals mainly with economic perspective, which can be divided into 1) economic dimension such as GDP, economic growth, balance of payment, inter alia, and 2) non-economic dimension, for instance environment, happiness, education, social development, rule of law and human rights, among others. This can also be translated as material well-being and non-material well-being dimensions. Henceforth, non-economic dimension helps measure and reinforce actual growth and well-being.

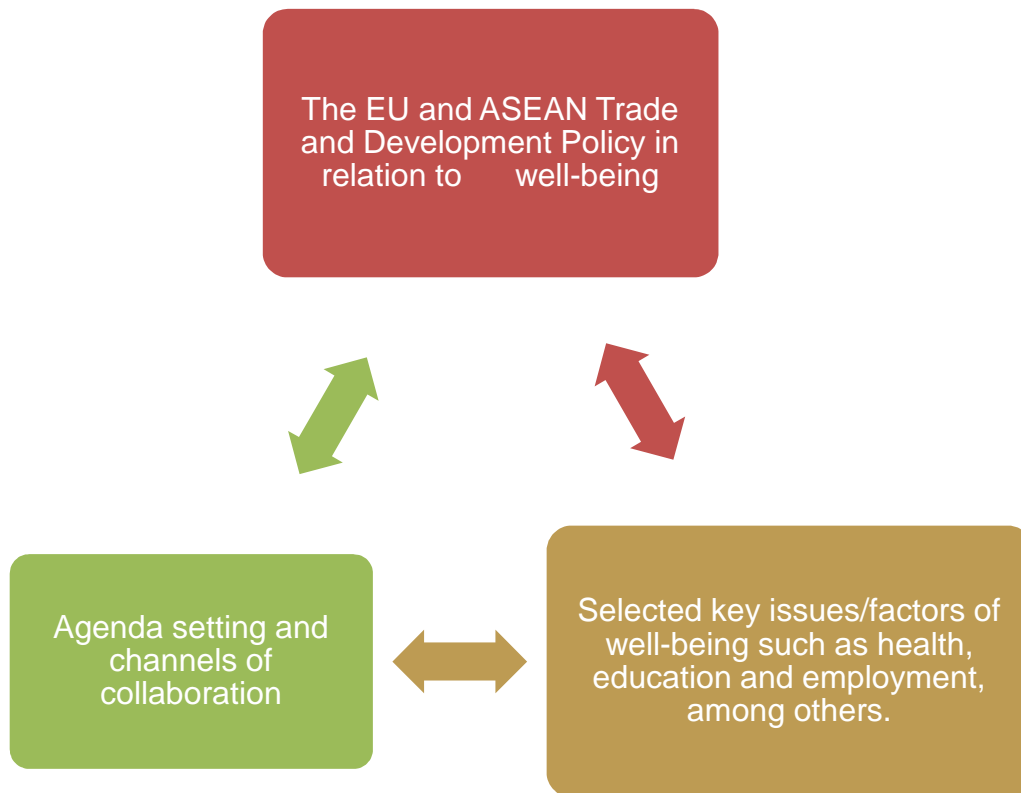


Figure 7.6: Process 1-Cycle of Process in Delivering Wellbeing

Source: Developed and proposed by the author of this thesis

Process 1 represents the overview of usual cycle of process in delivering well-being factors. In general, if both blocs agree upon certain areas of cooperation or building collaborations via different factors reflecting well-being, this helps analyze the inter-regional relations in which well-being is involved.

Process 1 can be claimed as the process of considering well-being since it needs two players at regional level, namely the EU and ASEAN to reach an agreement then they settle to work through different channels either through projects/programmes or technical assistance as some examples of projects/programmes appear in previous chapters.

This is different from 'Relational well-being', which looks at well-being as a process as well but the main player is a person as individual exposed outside factors. Basically, it consists of 'Personal', 'Societal' and 'Environmental' variables. To elaborate, a personal well-being is linked with collective, societal well-being,

which is in turn linked to environmental well-being. As a consequence, well-being might represent a whole picture, which is constituted through inter-linked personal, social and environmental processes.⁵⁶⁷

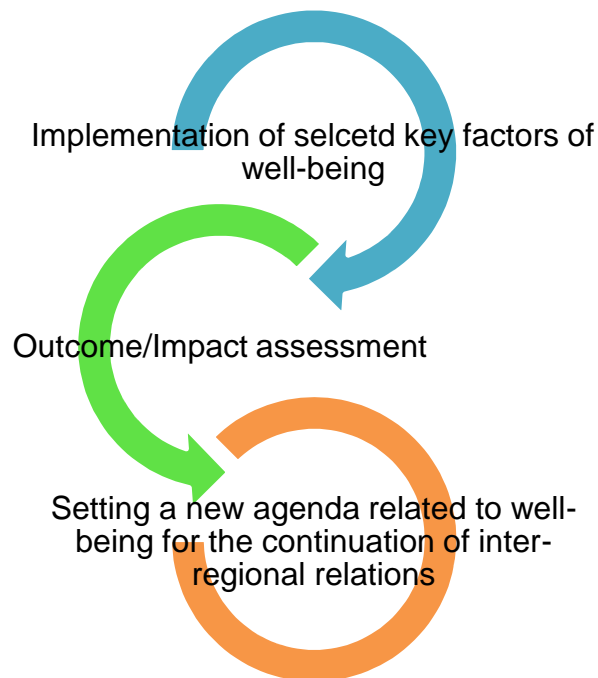


Figure 7.7: Process 2-Chain of Deliverables in Wellbeing

Source: Developed and proposed by the author of this thesis

This Process 2 is the next stage where it helps laying foundation for analyzing how well-being and its factors at implementation level and thus they can be assessed in accordance with aims projected and impact delivered.

The first chain represents initiatives or projects concerning well-being factors which are implemented between the EU and ASEAN.

⁵⁶⁷ Sarah C. White. Relational Wellbeing: A Theoretical and Operational Approach. Bath Papers in International Development and Wellbeing No: 43/2015. Retrieved from

<http://www.bath.ac.uk/cds/publications/bdp43_new.pdf>. Accessed on 10 February 2018.

The second chain illustrates the impact assessment stage, once projects/programmes/initiatives are completed both parties continue assessing deliverables whether they meet objectives and make positive or negative impact on target groups.

The third chain entails a new agenda or key issue in well-being that both blocs would like to continue their co-operations or collaborations with. This could be an option to sustain current well-being agenda in which both the EU and ASEAN see mutual interests/benefits, thus they wish to carry on the joint efforts.

To sum up, not only is well-being an issue of timely importance but it also creates space for participatory process for people from all walks of lives.

In order to approach the issue of well-being, the five theories and approaches used in the thesis have addressed and helped analyze the interaction between the two regional groupings relatively well. To make the matter more complete, the Wellbeing-based decision making conceptual model can be applied to help analyze situations and scenarios where and when two parties or regions pursue their interests relating to social dimensions and holistic prosperity such as well-being.

7.9 Overall Conclusion

Considering Social Sciences and the importance of the study of well-being, "...societies today face emerging challenges concerning health and well-being. Especially the increase in mental ill-health among young people and people in working age is worrying. This call for attention and action and a need for interdisciplinary approaches have been advocated. The results from the included studies show that research from a social scientific perspective can make an important contribution to the knowledge development by including influential processes also originating from a societal and an organizational level."⁵⁶⁸

⁵⁶⁸ Carin Nyman and Ake Nilsen. Perspectives on health and well-being in social sciences. International Journal of Qualitative Studies on Health and Well-being. 2016. Retrieved from

<<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4862952/>>. Accessed on 13 February 2018.

When it comes to measuring progress and growth of economy, a traditional approach like GDP is no doubt still plays an important role for countries and regions to habitually choose from. However, “good indicators of a nation’s well-being, including health, education, employment levels, environmental protection, and civil society activity...” are of good alternatives.⁵⁶⁹ This is a matter of revolutionary change as we have seen evidence-based well-being indicators work more holistically than that of GDP.

In addition, a major change from West to East has been shifted in terms of the global center of gravity. To elaborate, East and Southeast Asia has become the dominant force of economic, social, and environmental change. Rapid development has brought benefits and challenges to East and Southeast Asia. Some pressing issues are such as environmental degradation, increased migration and urbanization, and a concentration of persons, food production, and economic activity have created negative results which need to be addressed.

Considering health dimension alone, these changes might facilitate the emergence and transmission of new pathogens, and emerging infectious diseases.⁵⁷⁰

Therefore, a post-GDP economy era where it includes well-being as the main goal and process is a better option. Overall, the evidence found and policy implication presented, practically the post-GDP economy can function at regional level. Trade within regions and sub-continentals can offer opportunities for more inclusive growth and sustainable development, in particular where new opportunities for closer cooperation arises.

With the convergence of economic, social and environmental crises constantly bombards human beings, relying on only GDP is too narrowly managed and unreasonably counted on.

⁵⁶⁹ John Norris. How our fixation with growth blinds us to broader measures of a society's health -- or lack thereof. December 27, 2013. Retrieved from

<http://foreignpolicy.com/2012/12/27/beyond-gdp/?wp_login_redirect=0>. Accessed on 15 February 2018.

⁵⁷⁰ Peter W. Horby. Dirk Pfeiffer and Hitoshi Oshitani. Prospects for emerging infections in East and Southeast Asia 10 years after severe acute respiratory syndrome. June 2013. Retrieved from <<https://dx.doi.org/10.3201/eid1906.121783>>. Accessed on 15 February 2018.

Different fora have opened windows of opportunity to maximize human and environmental well-being; these are such as Sustainable Development Goals (SDGs), different rounds of negotiation toward climate change agreement, inter alia.⁵⁷¹

This may ultimately create utopian-like global governance in which possibilities of outcomes and strategic moves could lead to a true non-zero-sum game where less powerful country/region is given respect of equal determination and potentiality.

Aristotle's concept of happiness can be understood as Eudaimonia. To elaborate, "eu" means well-being or abundance, and "daimon" means the power controlling an individual's destiny. From this challenging perspective of a broader life-evaluation sense, this can be translated as the opportunity to lead a fulfilling life.⁵⁷²

To conclude, these are evidence that confirm the connection between well-being and trade and development policy that can mutually share the future of prosperity and sustainability. The content and result of this thesis meets an aim to be a part of the whole picture of global well-being in relation to inter-regional relations between the EU and ASEAN.

In a nutshell, it must be re-emphasized that "the well-being of one part of humanity is unattainable if another part is in a state of ill-being or if it is to be achieved at the expense of future generations who thereby inherit an uncertain world stripped of resources."⁵⁷³

Working towards an inter-regional relations level creates benefits in a greater scope and that is inter-regional well-being. With this in mind, the aforementioned information, discussions, analyses, conclusion and challenges in addition to all findings presented in this thesis regarding the case of well-being in

⁵⁷¹ Lorenzo Fioramonti. A Post-GDP World: Why it's time to end the tyranny of Gross Domestic Product. June 2, 2015. Retrieved from <<http://foreignpolicy.com/2015/06/02/a-post-gdp-world/>>. Accessed on 15 February 2018.

⁵⁷² Carol Graham. The Pursuit of Happiness: Can we have an economy of well-being? 2011. Retrieved from <<https://www.brookings.edu/blog/up-front/2011/06/21/the-pursuit-of-happiness-can-we-have-an-economy-of-well-being/>>. Accessed on 20 February 2018.

⁵⁷³ Ilona Kickbusch. Learning for Well-being: A policy Priority for Children and Youth in Europe. A process for Change. Universal Education Foundation. 2012. Page 23.

relation to the inter-regional relations between the EU and ASEAN remain to be open for further study and to be explored seamlessly as well as multi-dimensionally. As the EU, so ASEAN, 'well-being' goal in accordance with the Treaty of Lisbon and ASEAN Charter have evidently been translated and implemented via trade and development policy and thus this reflects inter-regional relations between the two players.

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APPENDIX I

THE PHILOSOPHY OF SUFFICIENCY ECONOMY AS AN ALTERNATIVE APPROACH TO WELL-BEING

“Being a tiger is not important. The important thing is for us to have a sufficient economy. A sufficient economy means to have enough to support ourselves...we have to take a careful step backward...each village or district must have relative self-sufficient.”

His Majesty King Bhumibol Adulyadej

What is the Sufficiency Economy Philosophy (SEP)?

The “Sufficiency Economy” or ‘Setthakit Pho Phiang’ in Thai language is a phrase coined by His Majesty King Bhumibol Adulyadej in 1997. ‘Setthakit’ is the Thai word for economic activities; ‘pho’ is the word for ‘enough’; and ‘phiang’ means ‘just’, so the phrase basically means a ‘just enough economy.’ In this regard, learning from the direct excerpt below can shed light to a greater understanding of the connection between SEP and well-being.

The Sufficiency Economy Philosophy (SEP) was formalized and came into the popular parlance in Thailand after the Asian Financial Crisis of 1997. In his birthday speech of that year the king advised that the ambition to become one of the new economic “tigers” of Asia was folly. He said it was much more important to develop “an economy where people are self-reliant and have an adequate livelihood for themselves.”

His levelheaded recommendations after a period of reckless speculation and easy credit, which resulted in millions of people becoming unemployed, captured the national mood at the time. In subsequent years the monarch elaborated on the importance of moderation as a cornerstone of a philosophy with universal relevance and wide applications. "Sufficiency is moderation.

If one is moderate in one's desires, one will have less craving. If one has less craving, one will take less advantage of others. If all nations hold this concept without being extreme or insatiable in one's desires, the world will be a happier place," he remarked during his birthday speech of 1998.

In a way, this approach and mindset represented the culmination of King Bhumibol's development work, linking many of the major facets together in an overarching framework that puts a distinctly Thai spin on sustainable development. Many of the maxims underpinning the SEP evolved from his efforts over many decades to deal with issues of sustainability in Thailand, from water and soil management to "New Theory" agriculture, which combined affordable technology with natural solutions, such as the building of check dams to fend off floods and irrigate fields. Any such strategies depended on the right technique being deployed with the appropriate technology in the right environment. Long a part of the king's projects, this strategy has also become a hallmark of sustainable development all over the world.

*Similar to the sustainable development ethos, the king was not urging for a return to the past, for Thais to give up all their creature comforts or for development that denied growth or free market mechanisms. He recommended simply that people and likewise businesses live and act within their means. In an article by Professor Harald Bergsteiner and Dr Priyanut Dharmapiya, appearing in the upcoming book *Sufficiency Thinking: Thailand's Gift to an Unsustainable World*, the framework of SEP is elaborated as "a state of being that enables individuals, families, organizations and nations to enjoy, at a minimum, a comfortable existence and, if conditions*

*permit, a reasonable degree of luxury that balances economic, social, environmental and cultural conditions.”*⁵⁷⁴

According to a brief history of SEP mentioned above, it is clear that well-being and SEP are complementary and can be generated for the public and in particular for those who seek meaningful approach to GDP and capitalism. In 2012, UNESCO recognized the importance and applicability of SEP by organizing an event under UNESCO Future Lecture – Towards a Sufficiency Economy: a New Ethical Paradigm for Sustainability: In Homage to the Philosophy on “Sufficiency Economy” by His Majesty the King Bhumibol Adulyadej.⁵⁷⁵

The Philosophy of Sufficiency Economy and its Three Pillars

- **Moderation:** Sufficiency at a level of not doing something too little or too much at the expense of oneself or others, for example, producing and consuming at a moderate level.
- **Reasonableness:** The decision concerning the level of sufficiency must be made rationally with consideration of the factors involved and careful anticipation of the outcomes that may be expected from such action.
- **Risk Management:** The preparation to cope with the likely impact and changes in various aspects by considering the probability of future situations.

⁵⁷⁴ Sufficiency Economy Philosophy (SEP). Retrieved from
<<http://www.thaيلandsustainabledevelopment.com/sufficiency-economy-philosophy/>>._Accessed on 1 October 2016.

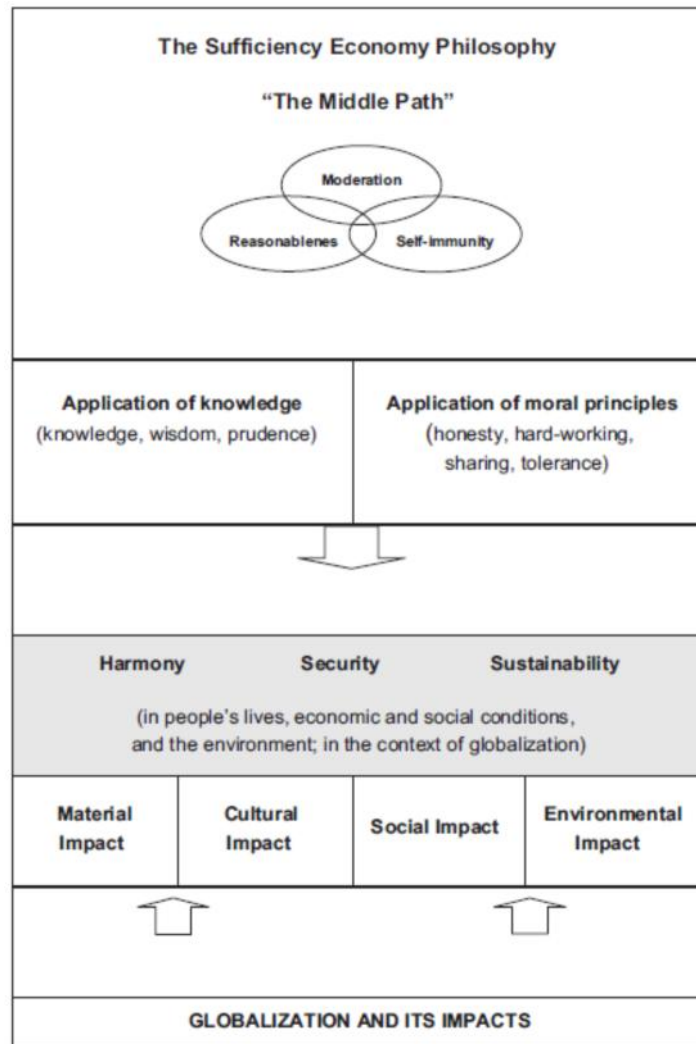
⁵⁷⁵ UNESCO. Towards a Sufficiency Economy: a New Ethical Paradigm for Sustainability. Retrieved from
<<http://www.unesco.org/new/en/social-and-human-sciences/themes/anticipation-and-foresight/unesco-future-lectures/towards-a-sufficiency-economy/>>._Accessed on 2 October 2016.

Decisions and activities must be carried out at a sufficient level depending on two conditions, which are:

Knowledge, comprising all-round knowledge in the relevant fields and prudence in bringing this knowledge into consideration to understand the relationship among the field so as to use them to aid in the planning and ensure carefulness in the operation.

Virtue to be promoted, comprising the awareness of honesty, patience, perseverance, and intelligence in leading one's life.⁵⁷⁶

⁵⁷⁶ The Chaipattana Foundation. Philosophy of Sufficiency Economy. Retrieved from
<http://www.chaipat.or.th/chaipat_english/index.php?option=com_content&view=article&id=4103&Itemid=293>.
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The philosophy of sufficiency economy framework

Source: Prasopchoke Mongsawad. The Philosophy of the Sufficiency Economy: A Contribution to the Theory of Development. Asia-Pacific Development Journal Vol. 17, No. 1, June 2010, UNESCAP.

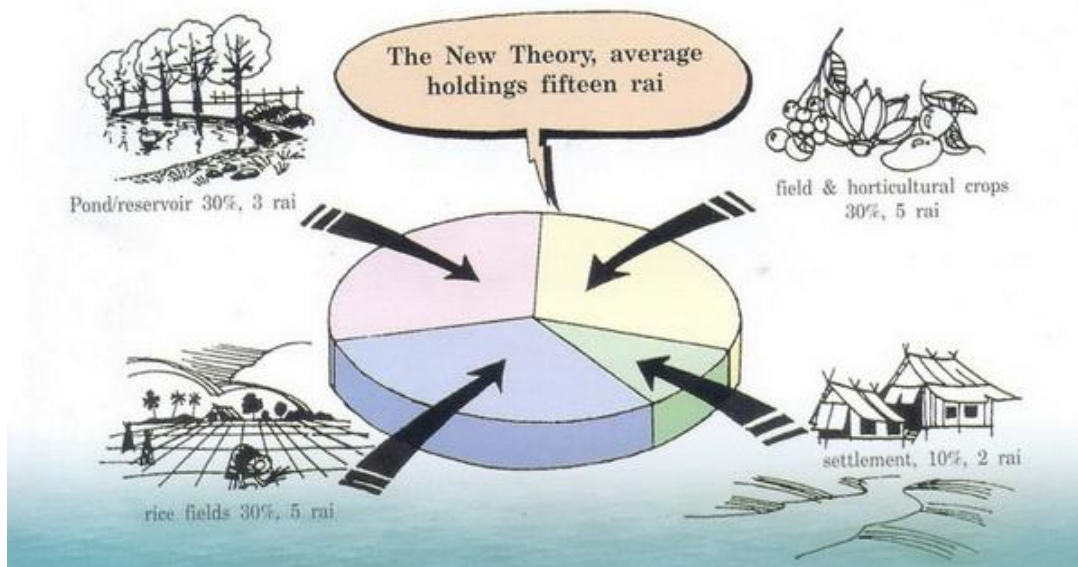
Not only does SEP contribute to human capital development, but agricultural sector also benefits from its recommendations and alternative management. In addition to SEP, the New Theory of Agriculture was suggested and thus provides recommendations to farmers to follow three-stage procedures. In the first stage, farmers should divide the land into four parts as follows:

- 1) *Growing rice (30 per cent);*
- 2) *Growing vegetable and fruits (30 per cent);*
- 3) *Water reservoir (30 per cent); and*
- 4) *Residential and other uses (10 per cent).*

As a consequence, they can have food sufficiency or food security. Once they have food security, at second stage, they can expand their production processes and move to commercial activities. Lastly, in the third stage, they may further expand their production processes and have cooperation in the community in the form of cooperative stores or a rice mill factory. It is clear that this New Theory of Agriculture can be regarded as sustainable agriculture management, as it promotes integrated farming, which consists of rice, big trees, small plants and other medicinal herbs.⁵⁷⁷

In this regard, a diagram on the following page illustrates how 'New Theory of Agriculture' works. The diagram is entitled "Farmland Division for Optimum of Benefits."

⁵⁷⁷ Prasopchoke Mongsawad. The Philosophy of the Sufficiency Economy: A Contribution to the Theory of Development. Asia-Pacific Development Journal Vol. 17, No. 1, June 2010, UNESCAP. Page 137-138.



Farmland Division for Optimum of Benefits

Source: The Chaipattana Foundation. The Philosophy of Sufficiency Economy as Life Guidance.

His Majesty King Bhumibol Adulyadej also deeply contemplated that since there are risks and impacts of farming based on four key conditions, there is a need to come up with New Theory of Agriculture in response to such impediments. Four of risks and impacts are as follows:

- *Price fluctuation of agricultural produce and commodities as a result of modern economic development;*
- *Unproductive conditions such as dry spells and droughts;*
- *Natural disasters such as flooding and epidemics; and*
- *The patterns of production such as plant diseases and pest problems, lack of manpower, debts, and loss of land.*⁵⁷⁸

⁵⁷⁸ The Chaipattana Foundation. The Philosophy of Sufficiency Economy as Life Guidance. Retrieved from http://www.chaipat.or.th/chaipat_english/index.php?option=com_content&view=article&id=4103&Itemid=293. Accessed on 6 October 2016.

All over Thailand, Royal Development Projects/Study Centers have been created and they have made a big impact on people and communities. Key characteristics are as follows:

1. *“Models of Success”*
2. *“Living Natural Museums”*
3. *“One-stop Service” and*
4. *“Innovation of Administration and Management”*⁵⁷⁹

A lesson learned from His Majesty's 70 years reign when addressing poverty and sufferings for the well-being of the whole nation sustainably is address local and communities problems or even a national problem from the bottom-up approach, rather than formulating policy by relying on a few elite class and/or academics, but with those who live with real problems, the most vulnerable and those who are going to be affected by policymaking and policy conduct. Justifying from Thailand experience, SEP can potentially be another approach for a global community in holistic planning, perseverance and participatory involvement for the benefits of human well-being when tackling issues vertically and horizontally.

⁵⁷⁹ Office of the Royal Development Projects Board. Sufficiency Economy for the International Ministerial Conference on Sufficiency Economy. August 2004. Page 16-17. Retrieved from <<http://www.rdpb.go.th/RDPB/Upload/Download/92.pdf>>. Accessed on 13 October 2016.

APPENDIX II

WELLBEING-BASED DECISION MAKING

“Originality is taking the road less traveled, championing a set of novel ideas that go against the grain but ultimately make things better.” Adam Grant⁵⁸⁰

As evidence, conclusion and the explanation of Wellbeing-based Decision Making conceptual model is shown in Chapter 7, it is crucial to elaborate further how this conceptual model stems from.

According to a traditional approach to policymaking, hierarchical order and top-down process usually prevails. However, well-being needs an overhaul thinking and implementing at different levels. In other words, a bottom-up approach and a horizontal collaboration which facilitates a distribution of power can be considered a vital mechanism to help catalyze the matter. In particular, policymakers are likely to weigh the benefits, cost-effectiveness analysis against related budget and impacts. Also, inequality of well-being and measurement of well-being are a matter of concern at policymaking level.⁵⁸¹

On top of that, a new frame of thought or paradigm is challengingly needed. The following figure is depicted to illustrate how important an evolution of idea is. Basically, there is a need to rethink from a conventional thinking to a more integrated thinking in order to approach well-being more holistically.

⁵⁸⁰ Adam Grant. *Originals: How non-conformists change the world*. Penguin Random House. UK. 2016. Page 3.

⁵⁸¹ Richard Layard. *Wellbeing measurement and cost-effectiveness analysis*. 2016. Page 10-12.

Retrieved from <<http://cep.lse.ac.uk/textonly/new/staff/layard/pdf/0381-06-07-16.pdf>>. Accessed on 1 November 2017.

Fig. 1: Conventional thinking



Fig 2: Integrated thinking



Source: Marco Mancetti. Is VUCA the end of strategy and leadership? 2015.

To elaborate, choices in life and choices in public sector can be considered an impact-driven decision. Therefore, it is such a strategic decision to make since it creates impact on a society and citizens directly. In the traditional approach, black box of decision making process where a few people or a group of stakeholders become representatives of voters, insufficient response to the various needs of development and trade is an ongoing issue.

In terms of power distribution, well-being allows diverse stakeholders to play their role in decision making process. One may view that the elite may monopolize and reserve the right to make decision in relation to formulating policy and lobbying process within their realm of legitimacy; this coincides with the inequality in the distribution of power. As Bertrand Russell puts it, "inequality in the distribution of power has always existed in human communities, as far back as our knowledge extends. This is due partly to external necessity, partly to causes which are to be found in human nature."⁵⁸² In this regard, one can see that well-being in the sense of objective well-being can bring about changes through collective power and challenge the traditional norm of power distribution, which is a top-down hierarchical order.

⁵⁸² Bertrand Russell. Power. Routledge Classics 2004. UK. Page 8.

The love of power is also universal. At an individual level, the impact may create an effect on a minor scope; however at national level and regional level power and policy implementation is highly likely to affect people at a larger scope and can create consequential impact. In this regard, it is indispensable to mention key characteristics of Wellbeing-based decision making.

Firstly, well-being is viewed that it goes in line with global agenda and realize the importance of 2030 Agenda for Sustainable Development or SDGs. In this regard, it is necessary to work in partnership with various key players and at many levels. For instance, there is a platform called 'Global Partnership for Effective Development Co-operation' where actors can provide efforts and inputs to the achievement of SDGs. To simply put, this is a global policy level where practical support and guidance as well as knowledge sharing are supported to help boost development impact with a strong country focus. In addition, it strategically focuses on strengthening developing country institutions, increasing transparency and predictability of development co-operation, enhancing gender equality, as well as supporting greater involvement of civil society, parliaments and private sector in development efforts.⁵⁸³

Secondly, GDP can collaboratively work with well-being. Apart from being used as a measure in calculating the production of goods and services, GDP can take into account the results from such production when making negative and positive impacts on society and well-being.⁵⁸⁴

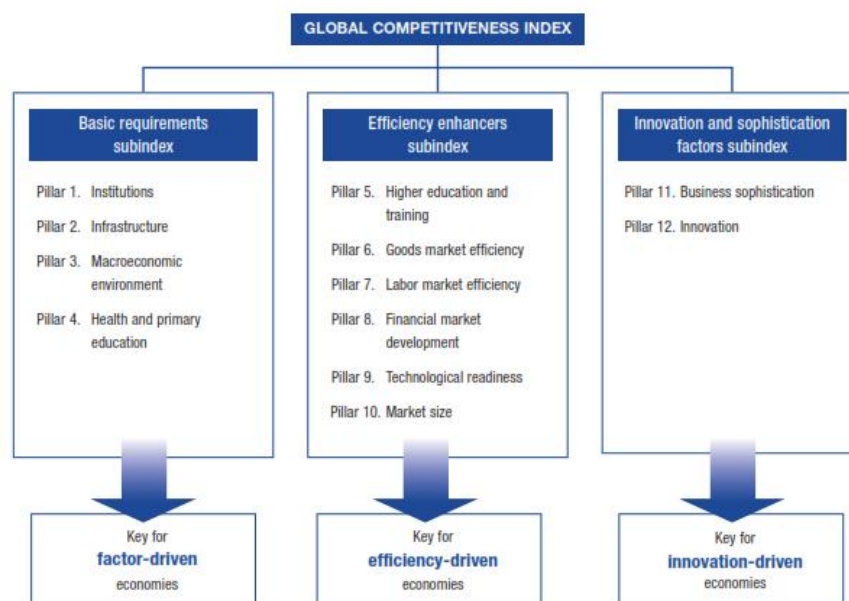
Some example at global level in which economy can integrate inclusive growth is that of 'World Economic Forum's Global Competitiveness and Inclusive Growth'. This project is focused on fostering competitiveness and inclusive growth in selected economies from different regions; these are Latin America, Europe, Middle East, North Africa, ASEAN and Central Asia.

⁵⁸³ Global Partnership for Effective Development Cooperation. Retrieved from <<http://effectivecooperation.org/>>. Accessed on 10 November 2016.

⁵⁸⁴ OECD Observer. Is GDP a satisfactory measure of growth? Retrieved from

<http://oecdobserver.org/news/archivestory.php/aid/1518/Is_GDP_a_satisfactory_measure_of_growth_.html>. Accessed on 13 November 2016.

Wide ranges of activities to be achieved depend on the need of the region. Key implementation such as public-private collaboration facilitation of structured public-private dialogue between players, among others, is promoted.⁵⁸⁵



The Global Competitiveness Index Framework

Source: World Economic Forum. The Global Competitiveness Report 2016-2017. Page 5.

In this regard, GDP is an important measurement for each state in order to stay competitive when compared with other countries' economic performance and competitiveness. When looking at different angles of well-being and sustainable development via competitiveness lens, it is worth mentioning or even applying global competitiveness index in order to reflect how well each country/region is doing vis-à-vis the global competitiveness framework.

⁵⁸⁵ World Economic Forum. Reform Agendas for Economic Growth and Social Inclusion. Retrieved from <<https://www.weforum.org/projects/reform-agendas-for-economic-growth-and-social-inclusion>>. Accessed on 24 November 2016.

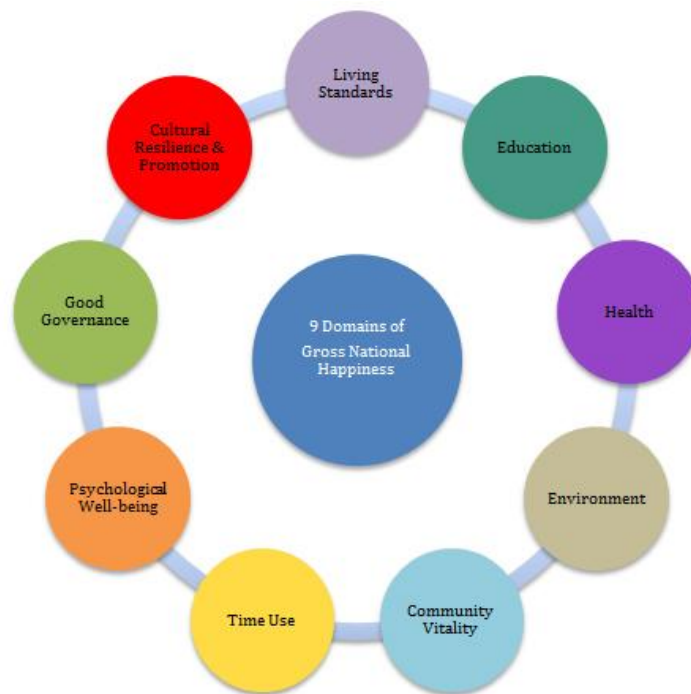
Country/Economy	GCI 2016–2017		GCI 2015–2016	
	Rank (out of 138)	Score (1–7)	Rank (out of 140)	Score (1–7)
Switzerland	1	5.81	1	5.76
Singapore	2	5.72	2	5.68
United States	3	5.70	3	5.61
Netherlands	4	5.57	5	5.50
Germany	5	5.57	4	5.53
Sweden	6	5.53	9	5.43
United Kingdom	7	5.49	10	5.43
Japan	8	5.48	6	5.47
Hong Kong SAR	9	5.48	7	5.46
Finland	10	5.44	8	5.45
Norway	11	5.44	11	5.41
Denmark	12	5.35	12	5.33
New Zealand	13	5.31	16	5.25
Taiwan, China	14	5.28	15	5.28
Canada	15	5.27	13	5.31
United Arab Emirates	16	5.26	17	5.24
Belgium	17	5.25	19	5.20
Qatar	18	5.23	14	5.30
Austria	19	5.22	23	5.12
Luxembourg	20	5.20	20	5.20
France	21	5.20	22	5.13
Australia	22	5.19	21	5.15
Ireland	23	5.18	24	5.11
Israel	24	5.18	27	4.98
Malaysia	25	5.16	18	5.23
Korea, Rep.	26	5.03	26	4.99
Iceland	27	4.96	29	4.83
China	28	4.95	28	4.89
Saudi Arabia	29	4.84	25	5.07
Estonia	30	4.78	30	4.74
Czech Republic	31	4.72	31	4.69
Spain	32	4.68	33	4.59
Chile	33	4.64	35	4.58
Thailand	34	4.64	32	4.64
Lithuania	35	4.60	36	4.55
Poland	36	4.56	41	4.49
Azerbaijan	37	4.55	40	4.50
Kuwait	38	4.53	34	4.59
India	39	4.52	55	4.31
Malta	40	4.52	48	4.39
Indonesia	41	4.52	37	4.52
Panama	42	4.51	50	4.38
Russian Federation	43	4.51	45	4.44
Italy	44	4.50	43	4.46
Mauritius	45	4.49	46	4.43
Portugal	46	4.48	38	4.52
South Africa	47	4.47	49	4.39
Bahrain	48	4.47	39	4.52
Latvia	49	4.45	44	4.45
Bulgaria	50	4.44	54	4.32
Mexico	51	4.41	57	4.29
Rwanda	52	4.41	58	4.29
Kazakhstan	53	4.41	42	4.48
Costa Rica	54	4.41	52	4.33
Turkey	55	4.39	51	4.37
Slovenia	56	4.39	59	4.28
Philippines	57	4.36	47	4.39
Brunei Darussalam	58	4.35	n/a	n/a
Georgia	59	4.32	66	4.22
Vietnam	60	4.31	56	4.30
Colombia	61	4.30	61	4.28
Romania	62	4.30	53	4.32
Jordan	63	4.29	64	4.23
Botswana	64	4.29	71	4.19
Slovak Republic	65	4.28	67	4.22
Oman	66	4.28	62	4.25
Peru	67	4.23	69	4.21
Macedonia, FYR	68	4.23	60	4.28
Hungary	69	4.20	63	4.25

Country/Economy	GCI 2016–2017		GCI 2015–2016	
	Rank (out of 138)	Score (1–7)	Rank (out of 140)	Score (1–7)
Morocco	70	4.20	72	4.16
Sri Lanka	71	4.19	68	4.21
Barbados	72	4.19	n/a	n/a
Uruguay	73	4.17	73	4.09
Croatia	74	4.15	77	4.07
Jamaica	75	4.13	86	3.97
Iran, Islamic Rep.	76	4.12	74	4.09
Tajikistan	77	4.12	80	4.03
Guatemala	78	4.08	78	4.05
Armenia	79	4.07	82	4.01
Albania	80	4.06	93	3.93
Brazil	81	4.06	75	4.08
Montenegro	82	4.05	70	4.20
Cyprus	83	4.04	65	4.23
Namibia	84	4.02	85	3.99
Ukraine	85	4.00	79	4.03
Greece	86	4.00	81	4.02
Algeria	87	3.98	87	3.97
Honduras	88	3.98	88	3.95
Cambodia	89	3.98	90	3.94
Serbia	90	3.97	94	3.89
Ecuador	91	3.96	76	4.07
Dominican Republic	92	3.94	98	3.86
Lao PDR	93	3.93	83	4.00
Trinidad and Tobago	94	3.93	89	3.94
Tunisia	95	3.92	92	3.93
Kenya	96	3.90	99	3.85
Bhutan	97	3.87	105	3.80
Nepal	98	3.87	100	3.85
Côte d'Ivoire	99	3.86	91	3.93
Moldova	100	3.86	84	4.00
Lebanon	101	3.84	101	3.84
Mongolia	102	3.84	104	3.81
Nicaragua	103	3.81	108	3.75
Argentina	104	3.81	106	3.79
El Salvador	105	3.81	95	3.87
Bangladesh	106	3.80	107	3.76
Bosnia and Herzegovina	107	3.80	111	3.71
Gabon	108	3.79	103	3.83
Ethiopia	109	3.77	109	3.74
Cape Verde	110	3.76	112	3.70
Kyrgyz Republic	111	3.75	102	3.83
Senegal	112	3.74	110	3.73
Uganda	113	3.69	115	3.66
Ghana	114	3.68	119	3.58
Egypt	115	3.67	116	3.66
Tanzania	116	3.67	120	3.57
Paraguay	117	3.65	118	3.60
Zambia	118	3.60	96	3.87
Cameroon	119	3.58	114	3.69
Lesotho	120	3.57	113	3.70
Bolivia	121	3.54	117	3.60
Pakistan	122	3.49	126	3.45
Gambia, The	123	3.47	123	3.48
Benin	124	3.47	122	3.55
Mali	125	3.46	127	3.44
Zimbabwe	126	3.41	125	3.45
Nigeria	127	3.39	124	3.46
Madagascar	128	3.33	130	3.32
Congo, Democratic Rep.	129	3.29	n/a	n/a
Venezuela	130	3.27	132	3.30
Liberia	131	3.21	129	3.37
Sierra Leone	132	3.16	137	3.06
Mozambique	133	3.13	133	3.20
Malawi	134	3.08	135	3.15
Burundi	135	3.06	136	3.11
Chad	136	2.95	139	2.96
Mauritania	137	2.94	138	3.03
Yemen	138	2.74	n/a	n/a

Global Competitiveness Index 2016–2017 rankings and 2015–2016 comparisons

Source: World Economic Forum. The Global Competitiveness Report 2016-2017. Page 7.

Thirdly, aside from the Philosophy of Sufficiency Economy, which is mentioned in Appendix I, another globally recognized alternative model of happiness is that of Gross National Happiness (GNH) of Bhutan is worth to be mentioned. GNH seeks to promote happiness for the citizens in the country rather than relying on economic growth to be claimed as a success. GNH composes of four pillars and nine domains practical concept. Pillar one is 'Good Governance.' Pillar two is 'Sustainable Socio-economic Development.' Pillar three is 'Preservation and Promotion of Culture.' Pillar four is 'Environmental Conservation.' These can be elaborated further into nine indicators as seen below.



Perspective of Gross National Happiness (GNH)

Source: GNH Centre Bhutan

The concept implies that sustainable development can work hand in hand with a holistic approach leading to the notions of progress and place equal importance to non-economic aspects of well-being. In addition, the term well-being can refer to fulfilling conditions of a good life as per the values and principles laid down by the concept of GNH.⁵⁸⁶

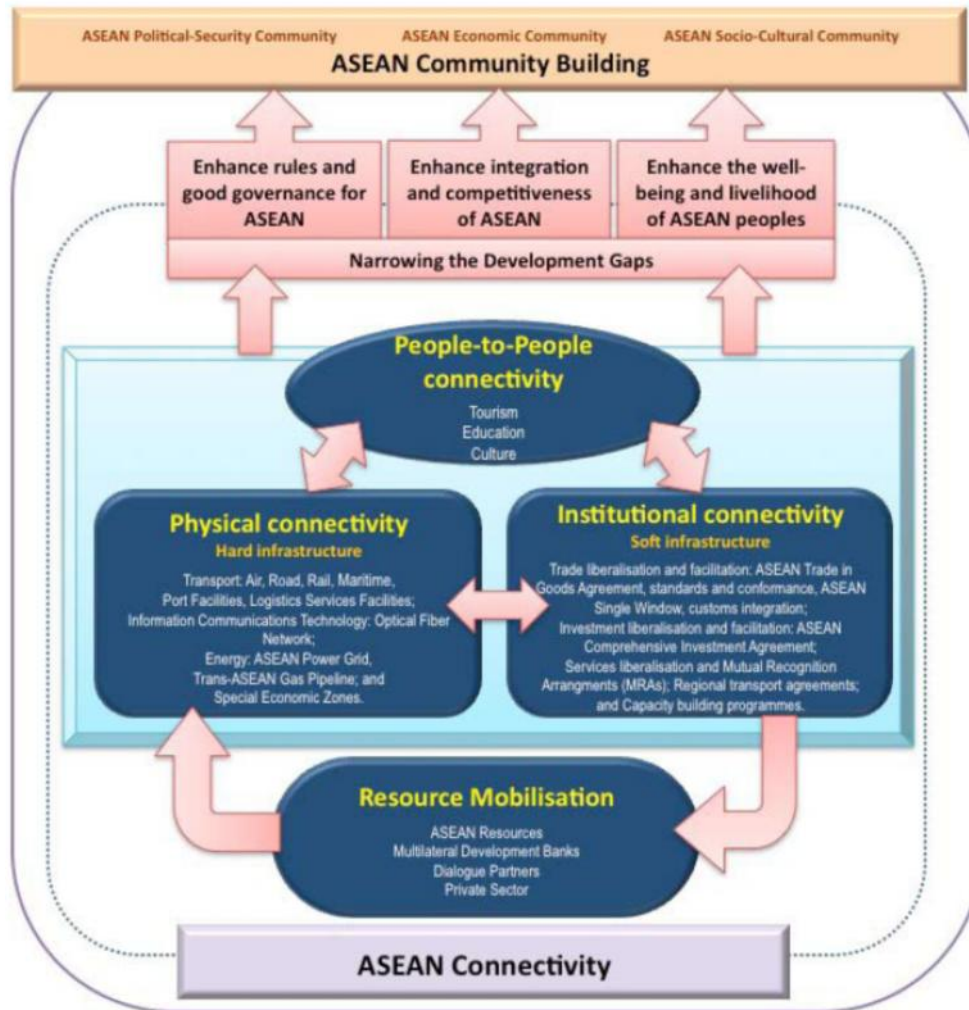
Fourthly, Wellbeing-based decision making consider taking challenges to be included in the making of policy and its implementation. In particular, challenges at the EU and ASEAN level can be used to assist with the process.

To elaborate, when considering ASEAN level, it is widely known that ASEAN Member States have different levels of development gap. Well-being of ASEAN can thus be enhanced by taking the advantage of modern technology and Internet through open economies. With open economies, regional cooperation and collaboration with the EU is crucial to promote development and growth. As a consequence, “with progress and prosperity of a region, the general well-being of everyone on the region will be enhanced.”⁵⁸⁷ One feasible approach to tackle this can be managed via ASEAN Connectivity plan and strategy.

⁵⁸⁶ Gross National Happiness. Bhutan GNH Index. Retrieved from

<<http://www.grossnationalhappiness.com/articles/>>. Accessed on 3 December 2016.

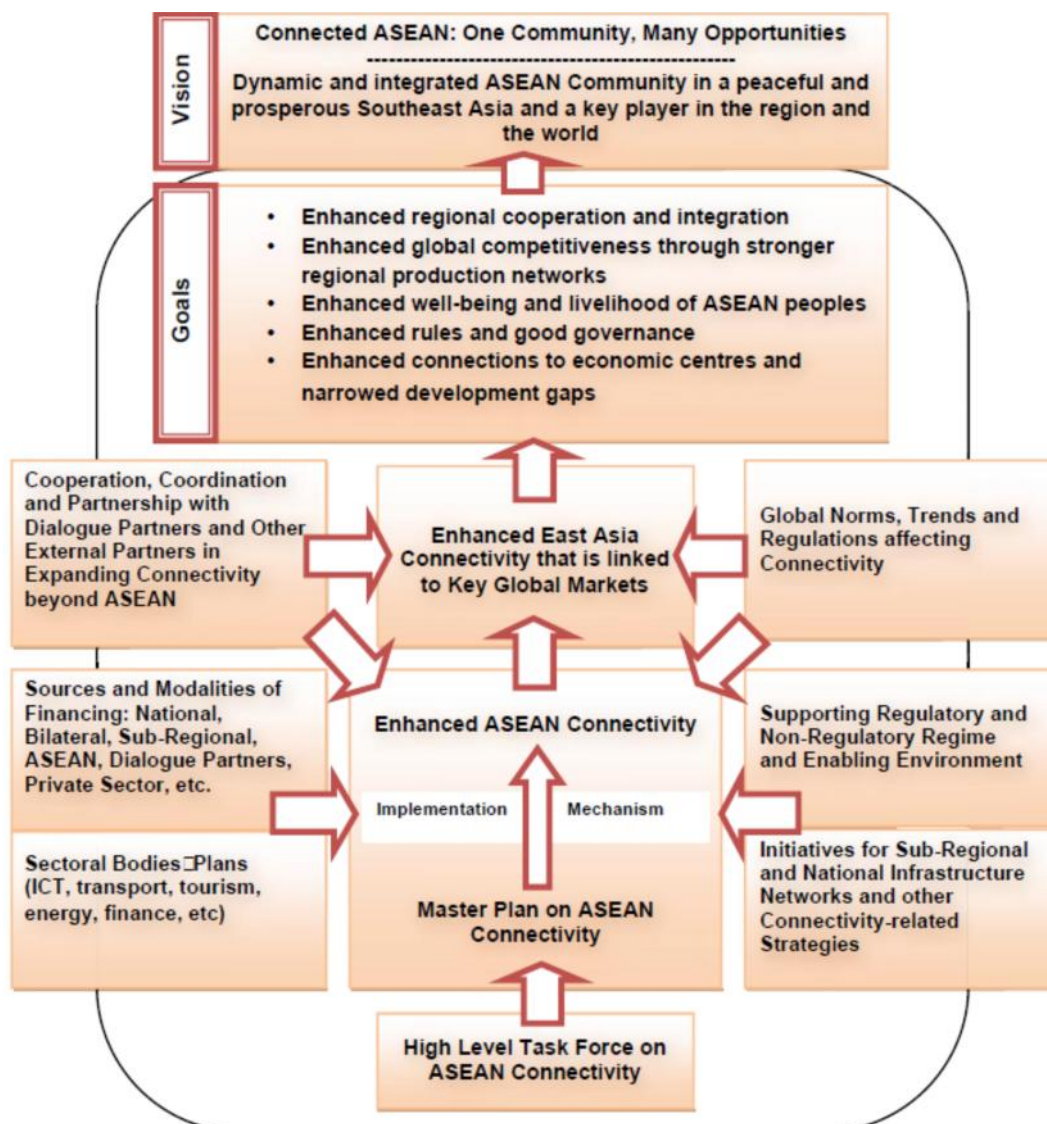
⁵⁸⁷ Philip Kotler. Hermawan Kartanjaya and Huan, Hooi Den. Think New ASEAN! Rethinking marketing towards ASEAN Economic Community. McGraw Hill. 2015. Page 4-6.



Interaction between ASEAN Connectivity and ASEAN Community

Source: Master Plan on ASEAN Connectivity. 2011. Page 3.

Let's also look at the Vision and Goals of ASEAN Connectivity as shown below.



Vision and Goals of ASEAN Connectivity

Source: Master Plan on ASEAN Connectivity. 2011. Page 6.

As can be seen from Goals Section mentioned above, Goal III of the enhanced ASEAN Connectivity clearly states that it aims “to enhance the well-being and livelihood of ASEAN peoples.”

Another concern for ASEAN is to better ASEAN for a greater integration after the ASEAN Economic Community (AEC) formally functioned since the end of 2015. The AEC's goal is to implement economic integration initiatives by creating a single market across ASEAN Member States. This obviously requires a strong administration and management that can harmonizes and standardizes regional regulations, and of course it must be recognized by all Member States of ASEAN.

Internally, ASEAN also faces enormous tasks but with limited resources and capacity. Unlike the European Union, ASEAN is not a supranational organization. ASEAN Member States can coordinate within the context of inter-governmentalism and the so-called 'ASEAN Way' is still regarded as a foundation practice and norm. Although ASEAN Secretariat is an institutional body and central authority, it can only play a role in making policy but it does not have mandate or power to command Member States. Furthermore, more funding to strengthen ASEAN is hugely needed as the current operational budget system relies on equal contributions by Member States. This is based on the belief that different contributions may lead to a hierarchy of powers. The payment has also been kept low enough to ensure the poorest members can pay. In this regard, funding from external donors and dialogue partners is crucial, particularly funding through projects and/or programmes in different areas.

Other difficulties in which ASEAN is facing are as follows:

- ASEAN Secretariat employs approximately 300 staff, not reflecting a community of over 600 million people and GDP over 2.5 trillion US dollars.
- ASEAN Secretariat cannot attract talented and capable people since it is not seen as well-paid when compared with other regional organizations.
- Member States lack an 'ASEAN mindset' to deal with various common issues and to facilitate cross-border issues, cross-national and cross-sectoral interactions.

This means more communication and socialization about economic benefits of regional integration is constantly needed among ASEAN Member States at every level.

In this regard, the awareness and promotion of integration is needed within the context of competitiveness and economic dynamism enhancement in an open and inter-connected economy regionally and globally. As a result, ASEAN Economic Community (AEC) can work for everybody and the quality of life of ASEAN citizens can be enhanced. To a wider context, partnerships with governments and stakeholders within the region and external partners can be established.⁵⁸⁸

With regard to education and health factors, ASEAN emphasizes that AEC measures under ASEAN Socio-Cultural Community 2025 will be beneficial, particularly in an attempt to achieve universal access to basic education and health care targets. This would contribute to ASEAN in becoming more inclusive, competitive and productive.⁵⁸⁹

By taking a closer look at economic model and integration, what the EU and ASEAN have chosen are different. ASEAN is not designed to work in the context of inter-governmentalism as similar to the EU's institutional setting and so far it has no intention to become a supranational organization like the EU. ASEAN institutions have been planned to uphold the roles of national governments and ASEAN's norms, which is widely known as the 'ASEAN Way'.⁵⁹⁰

Fifthly, some lessons learned affecting the decision-making process of the EU can potentially be considered. For instance, the EU's Brexit can be one of lessons learned to empower ASEAN Blueprint 2025. Although many view that Britain voted to leave the EU is contagious and it has triggered a "tsunami" of referenda across the continent. These are such as "Nexit" in a case of the Netherlands under the call for referendum of Dutch Party for Freedom, for France, "Frexit" under the Front National party and

⁵⁸⁸ Ponciano Intal Jr. ASEAN and the Brexit shock. Retrieved from <<http://www.eastasiaforum.org/2016/07/29/asean-and-the-brexit-shock/>>. Accessed on 23 December 2016.

⁵⁸⁹ Ibid.

⁵⁹⁰ Pattharapong Rattanaseevee. ASEAN yet to lay the foundations of the AEC. Retrieved from <<http://www.eastasiaforum.org/2015/07/30/asean-yet-to-lay-the-foundations-of-the-aec/>>. Accessed on 23 December 2016.

for Germany as “Dexit” under far-Right Alternative for Germany (AfD) party, for the UK multiple rounds of negotiations to officially withdraw from the EU remains to be seen.⁵⁹¹

The anti-EU parties have disparate motivations and sit on both sides of the political spectrum; however they share a common stance of discontent about EU austerity and thus supporting a nationalist over Islamophobic and anti-immigrant rhetoric. In this regard, research conducted by the European Council on Foreign Relations found that these parties are calling for popular referendums on subjects from their country’s membership to the EU to specific policy issues such as refugee relocation quotas. The report also argued that the growing pressure for popular referendums could cripple key European decision-making bodies.⁵⁹²

Last but not least, key global issues that affect global communities and can be taken into account and highly controversial if decision making bodies turn a blind eye and a deaf ear. Some key issues are as follows:

- Global wave of migration

Would this issue create a long term burden for the EU and ASEAN?

In the EU, member states are responsible to contribute their share financially and places for migrants. However, the situation arises negatively. Small country like Hungary has been in a reluctant position. It is more likely to be considered as refugee crisis.

⁵⁹¹ Brexit contagion: UK vote raises fears of a tsunami of EU membership referendums. Retrieved from

< <http://www.telegraph.co.uk/news/2016/06/28/brexit-contagion-uk-vote-raises-fears-of-a-tsunami-of-eu-members/> >. Accessed on 25 December 2016.

⁵⁹² Susi Dennison and Dina Pardijs. The world according to Europe’s insurgent parties: Putin, migration and people power. Retrieved from

<http://www.ecfr.eu/publications/summary/the_world_according_to_europes_insurgent_parties7055>. Accessed on 25 December 2016.

One view that deserves to mention is that “by not standing up to its original values, the European Union is losing its soul and therefore its *raison d’être*. The European project is not about ethnic or religious identity, nor is it about economic gains but it is about the protection of democracy and the interdependence between people and nations.”⁵⁹³ Hungary Prime minister is also questioned by the public whether the EU's rule of law and democratic norms still exists.⁵⁹⁴

With regard to refugee solution, there is an urgent need to call for an orderly and safe resettlement programme with willing governments. By looking at refugee inflows from Turkey for instance, many strongly request the EU to outweigh its costs otherwise disintegration could trigger anxious most Europeans and their benefits.⁵⁹⁵

Although the free flow of people is regarded as one of key conditions for a greater regional integration, in a case of ASEAN Member States, take Thailand for example, a constant influx of illegal migrant workers is in need to be addressed. Nevertheless, the issue is not as significant as in the EU's.

The EU faces internal challenge as a result of Brexit. In this regard, the UK has been in a conundrum situation of the Brexit referendum in addition to the process to leave the EU. G7 Meeting in Japan in during 25-28 Of May 2016 opposed the idea of UK leaving the EU since it would pose a threat to global growth.⁵⁹⁶ There is also a growing worry about migrant challenge facing the world and definitely the EU. As a result, G7 leaders described the migrant crisis in Europe as “a global challenge which requires a global response.” And the increase of aid in terms of financial assistance and aid from donor countries are strongly demanded.⁵⁹⁷

⁵⁹³ Remi Piet. Hungary should be kicked out of the EU. Retrieved from <<http://www.aljazeera.com/indepth/opinion/2016/09/hungary-kicked-eu-160919124045251.html>>. Accessed on 23 December 2016.

⁵⁹⁴ Philippe Legrain. Three paths to European disintegration. Retrieved from <<http://www.aljazeera.com/indepth/opinion/2016/08/paths-european-disintegration-160809111233146.html>>. Accessed on 25 December 2016.

⁵⁹⁵ Ibid.

⁵⁹⁶ G7: Brexit 'risk to global growth'. Retrieved from <<http://www.bbc.com/news/business-36394905>>. Accessed on 27 December 2016.

⁵⁹⁷ Ibid.

To elaborate the issue of Brexit in relation to budgeting, a concern over the UK would leave the EU may deteriorate the EU's economy. On the other side, EU' financial aid could lessen in terms of budget strength.

One reason that the UK would like to leave the EU is to have more sovereignty in agriculture, security and justice and immigration policy. However, if taking an economic perspective, if the UK withdraws its status from being the EU member there are around 50 free trade agreements with third countries which would then have to be renegotiated.⁵⁹⁸

Furthermore, NGOs are worried that funding for development will be greatly affected by Brexit since the UK is one of the biggest contributors to the EU's ODA. This means a big loss to the budget.⁵⁹⁹ With regard to overseas development policy, the UK has plays a leading role in international development of which it gains a global influence through its EU membership. The UK is globally renowned in fighting against global poverty in which the UK provides approximately 12 billion euro per year and is present around 140 countries worldwide. As a consequence, the UK is influential over the EU development policy and how the EU development aid is allocated.⁶⁰⁰

Many suggest to the EU dealing with refugees more effectively by offering legal alternatives to the most vulnerable refugees to travel to Europe.⁶⁰¹ Not only does the EU have to deal with migrant policy and boosting financial support at home but also it is urged to do more to help refugees.

⁵⁹⁸ Marc Etzold. Brexit's big three arguments – fact-checked. Retrieved from <http://www.euractiv.com/section/uk-europe/news/brexit-big-three-arguments-fact-checked/?nl_ref=13853431>. Accessed on 23 January 2017.

⁵⁹⁹ Matthew Tempest. Wall of silence from development NGOs on Brexit threat. Retrieved from <http://www.euractiv.com/section/development-policy/news/wall-of-silence-from-development-ngos-on-brexit-threat/?nl_ref=13853431>. Accessed on 24 January 2017.

⁶⁰⁰ Linda McAvan. What would 'Brexit' mean for Development? Retrieved from <<http://www.euractiv.com/section/development-policy/opinion/tues-what-would-brexit-mean-for-development/>>. Accessed on 25 January 2017.

⁶⁰¹ UN: More than 700 refugees feared drowned off Italy. Retrieved from <<http://www.aljazeera.com/news/2016/05/700-refugees-feared-drowned-italy-160529085357124.html>>. Accessed on 25 January 2017.

This includes the safety and protection of human rights. Many rights groups and activists have urged the EU to do more to protect refugees fleeing war and persecution after the deaths of refugees trying to reach Europe in overcrowded boats. Moreover, according to International Organization for Migration (IMO), from January to May 2016 the amount of migrants who were on their journey crossing the sea to Europe is at least 1,475 died.⁶⁰²

The Sea-Watch team collected about 25 other bodies, including another child, according to testimony from the crew seen by Reuters. The Sea-Watch team said it unanimously decided to publish the photo. The Sea-Watch also mentioned in a statement in English distributed along with the photograph, which read "In the wake of the disastrous events it becomes obvious to the organizations on the ground that the calls by EU politicians to avoid further death at sea sum up to nothing more than lip service."⁶⁰³

Moreover, more coherent policy in the EU concerning the migrant crisis is highly needed. Some practical approaches have been suggested, for instance free-for-all system must be replaced by a system in which asylum applicants are screened, ineligible asylum seekers should be sent back without delay and those who are likely to qualify should be sent on to countries willing to accept them. In addition, well-regulated system requires the following elements to function better, these are one-beefing up aid to refugees, two-reviewing asylum claims, and three-insisting asylum seekers to stay put until their applications are granted. In short, Pan-European approach is a better approach to deal with pan-European problem.⁶⁰⁴

According to the European Commission First Vice-President Frans Timmermans, "we cannot tolerate the loss of life on this scale; we need to do everything to stop it." In this regard, the new proposal concerning EU funds to promote private investment of up to 60 million euro in countries where a large number of migrants come from, these countries are Ethiopia, Niger, Mali, Senegal, Jordan and Lebanon.

⁶⁰² Anealla Safdar. Refugee deaths intensify call for safe EU passages. Retrieved from <http://www.aljazeera.com/news/2016/05/refugee-deaths-intensify-call-safe-eu-passages-160528135133198.html>. Accessed on 26 January 2017.

⁶⁰³ Steve Scherer. Drowned baby picture captures week of tragedy in Mediterranean. Retrieved from <http://www.reuters.com/article/us-europe-migrants-baby-idUSKCN0YL18P>. Accessed on 27 January 2017.

⁶⁰⁴ A plan for Europe's refugees: How to manage the migrant crisis. Retrieved from <http://www.economist.com/news/leaders/21690028-european-problem-demands-common-coherent-eu-policy-let-refugees-regulate?frsc=dgld>. Accessed on 28 January 2017.

In addition, 8 million euro of the EU funds are available to support migration when dealing with external countries like African countries, Pakistan, and Afghanistan to make it easier to send back people who are not granted the refugee status.⁶⁰⁵

In reality, the EU seeks more budgets to tackle the refugee crisis. It accordingly urges member states to contribute an extra up to 3.6 billion euro. An approximate amount of 6.2 billion euro will be used to encourage private investment in businesses in developing countries, i.e. it is risk guarantees in accordance with Juncker Investment Plan, which earmarked 21 billion euro as risk guarantees to unlock investment in Europe.⁶⁰⁶

- Environmental concerns

The EU member countries have been challenged by the severe weather conditions. For instance, France faced a big flood as a result of climate change. This included the loss from heatwave and drought.

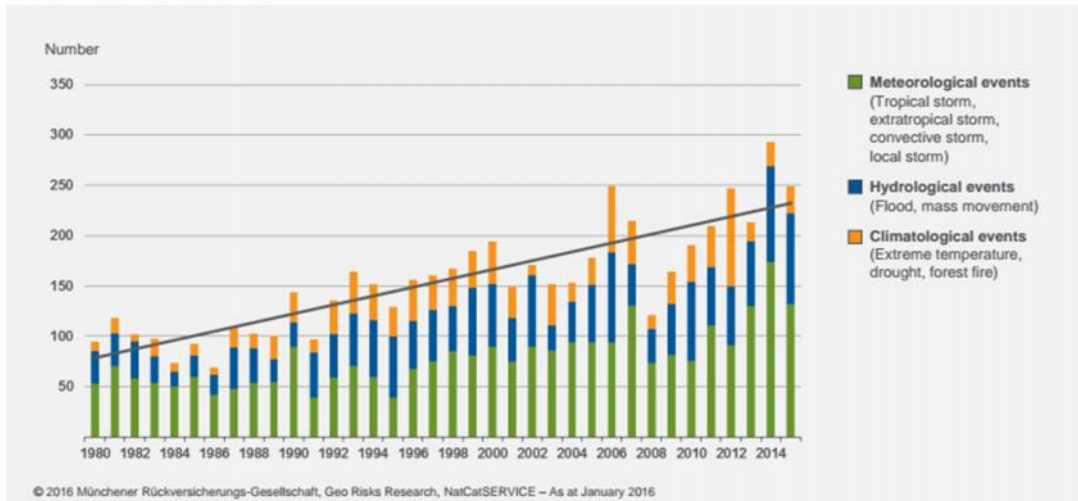
⁶⁰⁵ Refugee deaths in Mediterranean hit 10,000. Retrieved from

<http://www.euractiv.com/section/justice-home-affairs/news/refugeedeaths-in-mediterranean-hit-10000/?nl_ref=14425576>. Accessed on 2 February 2017.

⁶⁰⁶ James Crisp. Commission asks member states for €3.6 billion to tackle refugee crisis. Retrieved from <<http://www.euractiv.com/section/trade-society/news/commission-asks-member-states-for-e3-6-billion-to-tackle-refugee-crisis/>>. Accessed on 3 February 2017.

Weather-related loss events in Europe 1980 – 2015

Number of events



Weather-related loss events in Europe 1980-2015

According to the figure mentioned above and the data collected as well as 2015 report conducted by the Munich RE, a reinsurance company, the number of weather-related loss events in Europe has grown steadily over the last 35 years since 1980. On top of this, insured losses have also increased over that period.⁶⁰⁷

- Well-being vs GDP

Although GDP still plays an important role in measuring how economic growth performs in most countries, the good news is most countries also realize that there is insufficient information and various fields of knowledge in the assessment process to claim real success that reflect overall aspects of development of a country.

⁶⁰⁷ James Crisp. Severe floods highlight climate change challenge for insurers and EU. Retrieved from

<http://www.euractiv.com/section/climate-environment/news/severe-floods-highlight-climate-change-challenge-for-insurers-and-eu/?nl_ref=14425576>. Accessed on 5 February 2017.

To improve GDP as a yardstick of production in relation to quality of life, some suggested that statistical data can be calculated more on tax records, credit card transactions, among others. Secondly, a broader annual measure that would aim to capture production and living standards more accurately could be used. Concerning this, a scheme called GDP-plus could be used to challenge the traditional concept by including unpaid work at home, such as caring for relatives. On top of this, GDP-plus would also measure changes in the quality of services such as recognizing increased longevity in estimates of health care's output/outcome. Thirdly, a balance sheet of intangible capital such as skills, brands, designs, scientific ideas and online networks could all be valued. In addition, the depletion of capital, the deterioration of roads and public spaces and damage to the environment could be taken into account. Therefore, building and introducing these benchmarks demand a revolutionary action vis-à-vis national statistical bodies.⁶⁰⁸

In the EU, there is a rising divide of opinion toward life satisfaction. The latest survey of life satisfaction found that while life satisfaction grew slightly across the EU between 2007 and 2011, happiness and optimism levels fell, according to a new survey by the European Foundation for the Improvement of Living and Working conditions or Eurofound, which highlights a growing gap between low and high income groups since the financial and economic crisis began. Some findings from the survey are such as;

- *Those who suffer from illness or disability, those who are separated or divorced, and individuals in the middle-age bracket of 35–49 years have the lowest well-being.*
- *The lowest levels of subjective well-being overall were reported by unemployed people.*

⁶⁰⁸ The 21st-century economy: how to measure prosperity. Retrieved from <http://www.economist.com/news/leaders/21697834-gdp-bad-gauge-material-well-being-time-fresh-approach-how-measure-prosperity?frsc=dgld>. Accessed on 8 February 2017.

- *Particular aspects of well-being where EU member states do either poorly or well. For instance, in France, high levels of stress are found, whereas high levels of loneliness are found in Italy and low levels of vitality in the UK.*
- *A high level of education satisfaction is noted in Romania and in the Netherlands, where people also report low levels of time pressure.*
- *The study identified Austria, Bulgaria, Cyprus, Hungary, Romania, Slovakia and the UK as having particularly large levels of well-being inequality.⁶⁰⁹*

In addition, according to the report entitled ‘European Quality of Life Survey (EQLS)’ conducted by Eurofound, some countries face a warning sign in the declining levels of subjective well-being; these are Finland, the Netherlands and Sweden. Nevertheless, they fall under the least unequal countries, i.e. the Nordic countries and the Netherlands continue to enjoy the highest levels of well-being on most measures. In addition, in each country the report presents the average distance in life satisfaction between two individuals chosen at random. These analyses identify Bulgaria, Hungary, Slovakia, Cyprus, Romania, the UK and Austria as having particularly large differences in well-being inequality.

As Rob Anderson, the team leader of Eurofound’s European quality of life survey, points out that these analyses can help policy-makers in identifying various types of measures that could protect people who are already in vulnerable situations against loss of well-being.⁶¹⁰

⁶⁰⁹ Well-being inequality on the rise in Europe: Survey. Retrieved from <http://www.euractiv.com/section/health-consumers/news/well-being-inequality-on-the-rise-in-europe-survey/>. Accessed on 10 February 2017.

⁶¹⁰ Eurofound. Inequalities in well-being rise in Europe during crisis. Retrieved from <http://www.eurofound.europa.eu/news/news-articles/other/press-release-7-november-2013>>. Accessed on 10 February 2017.

In accordance with the OECD's How's Life report 2013, during the global economic and financial crisis, even though some effects of the crisis may create a longer-term effect, the Great Recession has had "serious implications for both the economic and non-economic well-being of households."⁶¹¹

Conclusion

Overall, one can see that key issues and analysis through the lens of well-being and wellbeing-based decision making conceptual model allow policymakers and related parties to think and act for a greater cause; henceforth those who are in a position of power and those who are willing to make a change are able to identify groups, countries and regions that are facing the consequent burden of global crisis, social distress and economic crisis.

By employing **Wellbeing-based Decision Making conceptual model** in analytical and synthesis processes, it responds to the need to better understanding inter-regional relations from different dimensions rather than circumventing around conventional approaches such as realism and liberalism. Moreover, it helps formulate policy in addition to policy implementation. It is worth noting that well-being can relate to other areas of development seamlessly while the economic growth obsession tends not to take real life issues, values, social and cultural contexts to be considered in its equation. This can be concluded that to make a big change and impact, one must think and act revolutionarily and strategically. Inter-regional relations between the EU and ASEAN is a feasible conduit to catalyze the outcome and impact and to mutually create the equilibrium. Well-being is open-minded, integrative and willing to find ways to work with GDP and economic growth, the question is would they disillusion to collaborate?

⁶¹¹ Organization for Economic Cooperation and Development (OECD). Measuring well-being and progress. 2013. Page 2.

APPENDIX III

WELL-BEING IN THE REAL WORLD: PERSPECTIVES FROM KEY INFORMANTS

“GDP measures everything except that which makes life worthwhile.”

John F. Kennedy

When considering factors and challenges that create an impact on people and communities around the world, economic situations and its growth indicate how most people are inclined to employ traditional inputs and outputs related to economic wealth. In other words, economic policy leads political and social policies. However, as discussed in previous chapters, many efforts at various levels have grown considerably to challenge this belief.

Well-being can be viewed as the ultimate aim and process of life and it is in a position of providing potential solution and a holistic approach to sustainably manage societal capitals. As a consequence, well-being makes sense and is efficient in improving quality of life from grassroots up to policymaking levels. Designing a new policy for society and community requires an overhaul thinking process. As a result, society and communities can utilize choice architectures most suitable for themselves. For some, well-being is only an ideal which is hard to reach but they paradoxically agree that something must be done to improve the quality of life.

Appendix III will combine perspectives from key informants who came from different fields of professional in which they are familiar with well-being at policy, academic and societal levels.

From research conducted and analysis, factors involve in well-being are practically multi-dimensional although basic categorization is generally classified under two notions, namely subjective well-being and objective well-being. It is necessary to mention variables used in this thesis since they carry messages and meaningful impact during the interview process.

1. Variables

There are basically two types of variables, which are independent and dependent. This research finds that a region-to-region relationship between the EU and ASEAN has gone through an array of factors and many channels. Thus, according to evidence, both interact extensively via trade and development policy in addition to many different factors and agenda involved. As a result, all involved factors will be related to these two types of variable as mentioned for a systematic analysis.

1.1 Dependent variables

1.1.1 Well-being

1.1.1.1 Subjective well-being

1.1.1.2 Objective well-being→Non-economic dimension of well-being

- Education
- Employment
- Health

1.2 Independent variables

1.2.1 Trade policy

1.2.2 Development policy

In this regard, this thesis uses a tool shown below to assist in the interview process. Some key informants were inclined to answer it as for research purpose only; some were reluctant to answer since it was deemed sensitive to justify such concept at policy level based on their experience during formal negotiations. Nevertheless, well-being is the aim and process that communities wish to see and long for to embrace.

2. Well-being indicators/factors (proposed three key indicators by the researcher of this thesis to be used in the interview with key informants)

Leading Indicators/Factors	Low tendency (Less recognized when conducting trade and development policy)	Neutral (Somewhat recognized when conducting trade and development policy)	High Tendency (Highly Recognized when conducting trade and development policy)
Health			
Employment			
Education			

This matrix is accordingly used as a tool in an interview conduct with key informants. Consequently, the result is analyzed on top of the overall analysis whether inter-regional relations between the EU and ASEAN are mutually reciprocal.

3. Interview with key informants

This section will present and highlight the result of interview conduct with key informants. With regard to contents of interview, its transcription and translation (from Thai to English language) are provided in this Appendix III. Key informants are professionals and their lines of work relating to three main fields, which are academic, policy, and regional organization. Altogether, there are seven key informants involved in the interview conduct. The list of key informants is as follows:

1. Mr.Tanin Pa-em, Deputy Secretary General of the National Economic and Social Development Board (NESDB), Thailand
2. Professor Dr.Charit Tingsabadh, Director of the Center for European Studies, Chulalongkorn University, Bangkok, Thailand.
3. Mr.Philipp Dupuis, Minister Counselor, Head of the Economic and Trade Section, Delegation of the European Union, Bangkok, Thailand
4. Mr. Jerome Pons, Head of Cooperation, Thailand and Malaysia, Delegation of the European Union, Bangkok, Thailand
5. Professor Lorenzo Fioramonti, Director of the Centre for the Study of Governance Innovation, University of Pretoria, South Africa
6. Dr.Naruemit Hinshiranan, Chief Advisor, Greater Maekong Sub-region Trade Investment and Culture Center, Chiang Mai University, Thailand
7. Ms.Chaidarun Tippawan, EU External Expert on Higher Education and Research, EU Delegation to Thailand

Key informants are divided into three categories, which are academic perspective, policymaker perspective and regional perspective. As a consequence, two theories and three approaches will be employed to analyze their perspectives.

There are five questions that are used to the key informants in relation to well-being. These are as followings:

1. How does the EU's trade and development policy contribute to the well-being in ASEAN since the inception of the Treaty of Lisbon?
2. How has the EU conducted development and trade policy in relation to well-being when interacting with ASEAN?
3. Apart from health, education and employment factors, what are other key indicators which can be used to reflect and measure well-being for both regional groupings?

4. How can well-being be measured in the context of inter-regional relations?
5. Which channel can the EU and ASEAN best pursue their inter-regional relations?

On top of these five main questions, the author of this thesis discusses issue in question and related enquiries with key informants for further explanations as the nature of semi-structured interview process allows opportunity to create constructive dialogue that help fulfill the content of well-being.

Analysis

Some key terms, excerpts and statements expressed by key informants will be relayed and highlighted in the table of analysis, as can be seen below, through the lens of five theories and approaches mentioned in this thesis. As a result, findings is able to illustrate and reflect the issue of well-being in relation to its recognition as well as implementation nationally, regionally, internationally and globally, in particular the inter-regional relations between the EU and ASEAN.

Theories Key informants	Game theory	Normative Power Europe	Development Policy of the European Union	Well-being for Flourishing society	The World after GDP

3.1 Policymaker Perspective

3.1.1 Mr.Tanin Pa-em, Deputy Secretary General of the National Economic and Social Development Board (NESDB), Bangkok, Thailand

Apart from the five research questions, the researcher asked the following question, which is: 'From NESDB experience in playing a key role in formulating and planning strategic issues at policy level regarding economic, social and political dimensions or the so-called 'National Economic and Social Development Board (NESDB) Plan', how much is well-being given priority in formulating policy and planning?'

Mr.Tanin Pa-em: *In fact, we changed from old paradigm, which was Neo-classical method in relation to NESDB Plan 1 and 2 in which states usually play a significant role. During Plan 3 and 4, we were struggling. Then we had NESDB Plan 4 and 5, we were under General Prem Tinsulanonda's government and administration as well as situations forced us to adjust. At this point of time, if you look at key components, you will see that there is the issue of well-being. In fact, it is hidden in there for quite a while. NESDB Plan 1 and 2 were focused on poverty alleviation. When people in the country could not communicate, needless to talk about fixing poverty or increasing income, is this about well-being? Well, it is not clear. At that time, we were more worried about security issue.*

During the period of NESDB Plan 5, internal and external threats put pressure us. As a result, we had to deal with poverty issue. The other side of poverty is well-being. As a consequence, we had to value this matter. However, we realize that if there was no economic growth, fixing the problem would be difficult. Therefore, we realize that they must go together.

What I am saying is the NESDB Plan 1 to 4 were mainly implemented by the state and the Thai citizens felt that they were just receivers. They felt that the state had to provide well-being and to alleviate poverty. This kind of thinking stemmed in Thai people for a long time. Currently, some groups of people still think that way. As a result, it creates populism policy.

When we reached NESDB Plan 5, concept and paradigm had been shifted towards a more proactive move. During that time, we found energy resources in the Gulf of Thailand. This contributed to growth. Simultaneously, we had the Eastern Seaboard; it was considered an area-based development compared to what it is called an economic zone according to the present meaning.

With regard to NESDB Plan 5 and 6, Thailand changed significantly. We had rural development plan, poverty eradication plan, we also had four ministries working in coordinating manner. These four ministries were the Ministry of Interior, Ministry of Agriculture, Ministry of Public Health and Ministry of Education. They all were involved in well-being.

The four coordinating forces were about educating, farming, making a living and public health and of course they all contributed to well-being. The Ministry of Interior was already responsible for work in the local areas. As a result, they realized how the matter could be developed and improved. Concurrently, during NESDB Plan 5, we invited private sector to cooperate through the Public and Private Joint Committee in order to deal with economic problems.

When looking at this issue closely, we see that the value chain would affect other parts as trade, export and industry they all created an impact on other sectors both negatively and positively. At that time, it was clear that the private sector had a crucial role to play. This was because if they told the government to change this or that law, better initiate this or that, all this action meant that they had a significant role in directing management policy.

For instance, amending and enacting several hundreds of law under Mr. Anand Panyarachun, as the Chairman of Industry Commission in which he actually oversaw this problem by himself. He was also a member of Public and Private Joint Committee in which Prime Minister General Prem Tinsulanonda was the Chairman. They would identify which law must be amended including the legislation of many new laws. I think Thailand have so many laws. One issue may require many responsible parties. For example, waste water released from a factory or a routine factory checkup and investigation could involve up to 4 ministries.

Imagine, if there must be a factory checkup every month, how would entrepreneurs respond to this requirement? Even a normal checkup, entrepreneurs must set up a unit, an officer must send out questionnaires to ask related people/departments. The content in questionnaires was practically the same or similar and the amount of work was countless, but they still had to fill it out, such a waste of time and this was a real cost.

The point is if the cost was sunk with whomever, then there was a tendency to push that cost to someone else. This was the picture that we saw in general. Now let's look at the rural development and poverty eradication plan. With regard to this plan, I cannot tell you a hundred percent that it helped create well-being. However, I believe that it made a big impact. You can see that people who used to live under the poverty line, which was around 20 percent. When compared with the current situation where Thailand population is approximately 60-70 million, those who live under the poverty line are approximately 8 million people. This is less than the past. Of this figure, the matter is still complex because there is a sensitive issue involved. If these are the poor living in the city, then they face more difficulties than those who live in the suburb areas. If there is not too much drought, consuming vegetables can help them to survive. We tend to judge them based on the income. Although they do not earn in terms of money, they have eco-system. There is something for them to be subsistent. But when you ask about the poor who live in the city, merely stepping outside of their houses they already have to pay. Therefore, conditions and context are different.

Subsequently, locating a target group is more difficult, more complicated. For instance, free bus service, free train service, why managing all these with no cost? According to Pareto optimality, this is the ability to pay for services. How about the ability to pay such as 30 baht Universal Health Scheme? If I myself use it, is it not embarrassing? In accordance with the law, there are two ways which are legally right, but morally wrong. So, is it appropriate for those who can pay, why would they use? This boils down to mentality.

In general, people may view that if the state provides and manages the budget then I will take it, why not? The law also says so. This is a very sensitive issue of well-being. Should States provide all these services for target groups? To the correct target groups and correct issues? This is compared with the system in

Western countries or even in Europe where they have better database system in which they can precisely locate target groups. In addition, concerning tax issue, if you hold citizenship, you must pay. As they say 'no tax, no vote and no right.' For Thailand, this might be an issue. At a certain point, NGOs and civil society stepped in.

During NESDB Plan 8, that was a transition period whereas Plan 5 the main issue was about security, not only militarily and politically, but also economically. There was an issue of OPEC also. We did not adjust well. Nevertheless, Plan 5 and 6, we reached double digit economically. Throughout the 5 year period of Plan 6, the economy grew 10.9 on average, which was very high. Plan 5 was at 5 point something. Our macroeconomics management was well managed. Inflation was not so bad. During Plan 3 and 4, economy rose around 7 percent, but inflation hit 11 percent. Could we survive?

Let me elaborate here. When we announced NESDB Plan 8 in 1997, I remember that there was the economic collapse as a result of carelessness. We faced crisis throughout Plan 3-4. Then during Plan 5 we adjusted ourselves but we had no money. The public sector had to spend a lot of money. At that time, civil service system was frustrating and we could not hire any additional position. The private sector was not strong. During Plan 5 and 6, they became stronger. This had an impact on rural areas and economy at local level. As a result, rural communities collapsed as people left their farmlands behind to live here in Bangkok. Parents left their children with their grandparents. At that time, rural development and poverty eradication plan held on to area-based approach, which meant that people had to stay at their hometowns. However, we must accept that where there is a better opportunity, people of course will have to go there.

During Plan 8, situations were better developed as a result of Plan 5, 6 and during Plan 7 we had more money. At that time, we had a government from election. Their policy had a slight populism. Let me ask what is being implemented under this current government, can it be called populism? It is clear that they are similar, but the willingness and management scheme is different.

The current situation has more accountability since civil servants are forced by the system. Sometime provincial governors are pushed to spend the budget. They must accordingly abide by it. Sometime it turns out that there might be many documents to be signed off and completed. Then the Office of Auditor

General of Thailand steps in and says that this budget is wrongly distributed. Well, the Budget Bureau may not know that once a project is approved and signed off, the governors must go to see that particular project. How can a governor go to visit every project? Would secretaries of the governors help check in details? If they are not trained well enough, they will not be able to. This is a very difficult situation.

Under Plan 8, Thailand collapsed economically, His Majesty King Bhumibol then talked about Philosophy of Sufficiency Economy (SEP). This is exactly connected with well-being. This is because SEP does not tell us that one must make a lot of money, it is not necessary. Why must we become the fifth or sixth tiger? Do we know ourselves? Knowing what is sufficiency, reasonableness, immunity. All this we must look back to see whether we sufficiently have a body of knowledge. Do we really understand it well? Do we have honesty? Do we have perseverance? What we have done, we have to deeply consider. For example, Hopewell Project which was built and deserted. Reasoning and blaming this and that, then we had arguments. Then it became our burden. I myself have witnessed it for 38 years. How can it last this long?

During this time, civil society found an opportunity to step in since they did not believe in the efficiency of the public sector in operating projects. Sometime they oppose the idea in terms of policy and mentality of the public sector. For instance, when the public sector mainly focused on spending the budget, they would say 'how about happiness?' This was the issue. Within Plan 8, it did not mention this issue clearly. In addition, the SEP initiated by His Majesty King Bhumibol, did His Majesty talk about this as a result of economic collapse back in 1997? The answer is no.

His Majesty talked about SEP long before that, from his experience and principle concept based on Buddhism. His Majesty talked about SEP on many occasions and in many contexts. When communicating with judges, His Majesty may use one approach, when addressing the new graduates may employ another method, but the main concept does not change. For the new graduates, His Majesty wishes they would bring this concept to be applied in their lives then they can use it as the main principle in social development and participation. It turned out that nobody cared enough to do it. Then His Majesty created it as the Philosophy of Sufficiency Economy. It is a philosophy, so one must apply to use it since there is no instant formula.

At this point, if asked when we measure happiness, generally speaking, it is rather subjective. Some people may be rich. We may not be in a position to say that Thai people are happier than Laotian. Based on the Happy Planet Index (HPI), Costa Rica came at the top ranking for five consecutive years. Thailand ranked ninth. HPI has four indicators. The point is in Thailand the concept of well-being was developed since NESDB Plan 8. When we turned to Plan 9, we developed measures and keep adjusting until now it is called Green and Happiness Index. Indicators are such as well-being, warm family, strong community, strong and just economy, meaning fair distribution of income, which is still an issue. In addition, we have genie coefficient with regard to income, not expenditure. This indicates that throughout the last two decades up until 2015 we clearly improved according to genie coefficient, which was around .08, which is not high.

In terms of well-being, warm family and strong community, strong and just economy in addition to environment and balanced eco-system-this is sustainability and we also have democratic society which possesses good governance. Overall, the result of this set of indicators showed that strong community indicator was in the most positive growth position. When looking closely in the details of NESDB Plan 9 around the year 2006, the figure was at 30 something not quite at 40 yet, but now it reached 84. Five years ago when we were about to start Plan 11, NESDB invited a global expert team from the World Bank to help adjusting the indicators.

The point is if we wish to adjust points of indicators, which are rather idealistic, but we lack database then we are in a big trouble. Our database must be designed with the National Statistics Office. This is a real big issue. In addition, it is not the National Statistics Office's responsibility alone since there are many organizations have their own database systems. This is the issue. When it comes to statistics, they would say it is their business, do not cross the line. When I hear this, I feel sorry for the Statistics Office. Some say, why not the National Statistics Office does like the Canada Statistics Office since they have many kinds of information to provide but you have to order and pay, but ours is free of charge.

Then the Industrial Economy Office used to say this matter is their concern. When they conduct the survey, sometime matters are overlapping unavoidably. Then academics criticize that why you do not cooperate. This is a very difficult situation based on the budget system. This means that when we do

something and we must clarify everything, in practice this is way too tough. Since Plan 9, we have used this as indicator. In 2014, the point was 72.83 while 2015 was 72.87. There were both push and pull effect type of indicators. This has been moving slowly. When looking at it during Plan 9, it was 66 when compared with 72.87. This was much better. This fell in the medium range, around 70-79.9. If it was 80, it would be considered good. If it is 90, then it is very good. We still have a lot to do. For the time being, we may have to think of tools to assist these indicators to move to a more positive direction. How to do that-I think the content and paradigm is not different.

If we look at Plan 12, this is human-centered approach and there are many dimensions around human concept. The second strategy is bridging the inequality gap. The third strategy is about agriculture. This is a foundation for people who are involved in agriculture both directly and indirectly, accounting for approximately 30-40 percent of the country. Agricultural sector is sensitive in which once there is a problem, it will affect the whole value chain. In fact, Thai economy is considered in a good shape though some may say the opposite.

Our major revenue is from exporting, in particular rice export. Yet, we derail ourselves. Then the problem is we have plenty of rice stored in the warehouses. This can be called slaved rice because the matter is still in the court waiting to be resolved. Yet, if we leave the rice in the warehouses, then it is risky to go rotten. If we take it out, then those who take risk will face the court verdict. When we use chemical spray, then there is a risk for windy environment. In nature, rice usually comes with red flour beetle, which is the cycle of life, even though we keep them at best condition. Even scientists say it is a fact.

When we want to sell it cheaply, then we face criticism. Therefore, we must store our rice produce in the warehouses. We actually have to rent the warehouses since the government does not own such facilities. This creates such a problem. The government must solve it. If we say something like 'just take care of those who committed wrongdoings', this is a political game. This is a hunting game. This is our society. So, currently, are we in the state of happiness? We must communicate, talk to one another. This is about mentality. Whether we are happy or not, we need some kind of measurement or yardstick. Some say, why we do not use Bhutan's model? Well, they have theirs, we have ours.

When we measure based on Happy Planet Index (HPI), I am not sure which ranking Bhutan holds. They are better than Thailand but not at the top ranking. However, Costa Rica has a better management system concerning fossil fuel in which whoever is doing something related to fossil fuel, they will be charged with premium and tax. After that they use revenue to plant trees, develop whatever is good for the country to reduce carbon dioxide emission in addition to supporting sustainability. They are very clear and they have law. They have goals and indicators. They also have tools to help reach the goals. This is Costa Rica. They may not be as good as Brazilian in terms of playing football. But when we look at Brazil, they have chaos everywhere. So, I am not sure which is better?

How about Thailand? We do have it since Plan 9 concerning the evaluation of happiness. Why do we not release? Well, when most people see the figure of GDP capturing the figure of 3, 3.2, 3.4 or 4 then they feel excited; people wait to hear more news. When it comes to indicators like happiness, how many people would enjoy? Only few people know that NESDB has this kind of indicators and has information for people about this. What I am saying is that 'is this our social mentality based on what I just said?' If not, and even if the mechanism can function, then it is still difficult even the tools have been developed. If everybody realizes and pays attention, then he/she will feel that something must be done for a better cause. However, this does not address the issue. Then we must accept that what we are doing now is about 'demand side' and social values.

As what His Majesty King Bhumibol said, there must be a body of knowledge and understandings. Concerning understandings, media tends to act as a judge and a critic. Do they ever think that they are a part of society? They must help to improve our society. Soap operas and movies all show romantic and love scenes. Why do they not create something better to help improve society? This is because most people like it. What I would like to say is well-being has many elements. Sometimes, some indicators are missing. Can the result of 72.87 points make us happy?

Well, it is very difficult to say. We now have news that ambassadors are coming, and then the referendum and the draft of new constitution had just finished. Then there are more works concerning amendment-related questions. This type of questions will be adjusted in the constitution since it can be used to better wherever necessary such as the role of senator section, there is more to adjust. This is because what is

written in the constitution can have an impact on subsequent laws. So we must legislate as those who are sneaky can bring the issue to further discuss and one day they will say this constitution is not acceptable, not well written. However, the quality of people is yet mentioned.

Concerning MDGs and SDGs, we meet all the criteria relevant to MDGs and we have applied them at provincial level. If asked that at provincial development plan, do we have MDGs? Well, they did not say that they have, however I think it should be there. Yet, when they apply and implement, is it MDGs or SDGs? That's another story. Every sector in Thai society talks about it and then they tend to blame one another. I think Thai people's mentality is a problem. This is a weakness spot. For example, the governor of Bangkok is in the position of being exposed as a weak link. Flooding in Bangkok is one piece of evidence. If asked further about littering, rubbish thrown in front of my house, I then have to sweep it every day since it is my habit to sweep up leaves fallen from a mango tree in front of the house every evening. My point is rubbish from consumer products thrown by children not by adults. Is there no rubbish bin anywhere? It is just across the road and the road is neither congested nor wide. Why did they still litter? So who is responsible?

To keep the city clean, it is everybody responsibility according to the constitution. They may think it is Bangkok Metropolitan Administration's responsibility, not theirs? So, would we live according to well-being? I may say something too deep, but I do not want to take some practice too farfetched, either Japan or countries in Europe or Scandinavia they all have it. And then why people ask whether our younger generations do not have discipline like the Japanese's. They then pinpoint the blame at the Ministry of Education, which is considered a weak link. If you wish to criticize the Ministry, you can do so. The same for policemen, in particular traffic police they have always been criticized. Sometime students from vocational colleges fight against one another, then people slam them as being street gangs. In this regard, let me ask 'have you ever stepped in to investigate whether in schools or colleges have subjects appropriate for them to study. Why can't they warn them? Is there any program to empower them to contribute to society? Is there any assistance to help them building their career path? So how can you force them to be a good citizen without providing them any assistance?

What I am saying is this, in schools there is corruption issue when buying educational tools. When we talk about corruption here, it is not just five, ten or a hundred baht; it is ten-billion baht. When we connect this issue with the NESDB Plan 12, we cannot touch upon subjective level and people's mentality. Do we bring such issue to help lay out the plan? In Plan 12 we do address. If not, the NESDB would be crushed. However, now we are talking about the fact in Thai society which we tend not to talk about it directly. From my experience, I feel that there is something in this country that is neglected. Sometime there is a new trend or fashion coming; people just go crazy about it such as STEM education.

I nudged my own friend who works in the private sector by asking whether Thai children know themselves. I mean when they study the Thai history they know how to dance according to the Thai classical dancing style, this is not the case since they still do not know how many groups of ethnic origins in Thai society? And this point, it can be triggered so easily by those who know. For those who know, sometime they lead us to go astray. In the past, they wanted to separate to have an independent state up north and northeastern part of Thailand. There was a serious concept and ideology like this in the past. Do we teach about this? No, not much, in particular relations with our neighboring countries. What I would like to say is if we say that health, education and employment factors are important to formulating policy, of course this is very clear.

At this point, concerning employment factor, this is our advantage. We have bio and cultural diversity. Where we are sitting now there are ethnic minorities like Mon and Yuan. Since the good old day of Siam, we had a large number of Chinese, Mon and Yuan. Durian is a kind of fruit but it is not a Thai word and durian means thorn. As I said, MDGs or SDGs issues when we look at NESDB Plans, we do have and are mentioned in the contents; there is nothing else to say. The three factors, which are education, health and employment factors are mentioned since the beginning. It is all related to people matter. Reducing inequality is also there. In principle, it is an opportunity. When we reduce inequality this means increasing opportunity. This is not only for the general public but for some groups like marginalized people as well.

The government increases the opportunity by providing special intervention. Since they cannot compete against people with normal conditions, how can those who are deaf and mute do the test? It is very difficult. For those who have disabilities and wish to step outside of their houses and walk in the street of

Bangkok, even people with normal conditions are still crashed by cars, fall in the potholes, among others. We are not like countries in Scandinavia. Do we address this issue? Yes, we addressed people with disabilities since Plan 11, Plan 10 even. However, at practical level, have programs or projects been pushed forward systematically and multi-sectorally? Well, they have not been.

For example, the Bangkok Metropolitan Administration built footpaths for disabled people and those who are blind so that they can walk. But when they actually use it, they cannot use it safely. What worse than that is although the street stalls are not allowed; those who wish to walk still have to walk on the road. It is dangerous and uncivilized when looking at it. Then there are motorcyclists riding on the footpath instead. Then they would say 'I beep the horn already why you do not move?' In this regard, footpath is made for motorcyclists? When arguing, policemen do not know what to do since the motorcyclists say that I do like this every day, I also pay the bribe! Some problems cannot be tackled directly. So now you can see why Thailand is in such a messy situation. When they are not satisfied, they then pursue a new set of law.

What I am referring is respond to question number 4. This comes back to people matter, and about education. Please do not go to the Ministry of Education, they alone do not have enough intellectual power when dealing with problems related to people. We give them honor too much, whatever coming up the matters are brought to them. They do not have the ability to take such honor. The problem is all connected with other matters. We cannot blame them for all the things. They themselves are not that solidified. Each department is so big; there are 41.5 people in big positions. When compared with the Ministry of Science and Technology, there is one person in a big position and there are less number of departments to govern even though this is a very important ministry and there is Ministry of Digital for Economy and Society. All this, what matters? It all boils down to people, a body of knowledge which needs to be built and extended upon; we must conduct research, then develop and know ourselves.

Let me ask why Thailand wants to produce cars, how can we compete with Germany and Japan with regard to motor development? They have developed it so far ahead. Why should we compete with them? Yes, we buy it from them. However, there are many things that Japanese do not have. For instance, we have planted rice for many hundred years, I would say even a thousand years. But when we grow rice, we maneuver the ploughing machines under the brand Yanmar and Kubota, which are the Japanese

brands. So, do we not have brain to make it by ourselves? This is actually my conclusion since I have been serving the public sector as a civil servant for 38 years. You do not have to agree with me. At this point, concerning question 4 and 5, I think it is easy to answer. If we are certain with the answer to question 4, it is about human, about people. Let's come back to Bangkok. Now it beats London. Bangkok ranks the top for tourists' destination. I am very much surprised by the information sent from e-mail and social media platforms, saying that Thailand is good for this and that. We have the least level of sufferings since there is high rate of employment and inflation is also low.

Even all this, they still blame the government. Is this the same country we live in? And who measured this? Prime Minister did not do it, it was Bloomberg. Yet, they were not satisfied. We know our economy is not that great but they must also contribute what to improve. Let's come back to talk about Bangkok. When you say, have you ever wondered why other people visit us? How can this be possible? They have tube, rail system, good management, and so on, how can we beat London? This is an indicator, but it does not say that we are better than London. Why do we not conduct a research and ask why people come to Bangkok? Indicators tell us about expenses stat, credit cards used; I mean what really brought them here. But please do not ask the governor of Bangkok because he does not know either. If you wish to ask, please ask how did you do to attract so many tourists? Well, he might answer because we organized the 'Tunnel of light' festival and 'all this you still want to sue me?'

Well, there are still good things. Students learn STEM education, but I may oppose this idea, justifying that they should study history, social studies since we do not know ourselves, know nothing about biodiversity that we actually have. If they know, they will not cut down trees, destroy fish. To simply put, they deforest since they do not know. If they know, they will realize that. Those people who live far away from the city, when they feel like cutting down trees, then they cut. Area around here is the same big trees were cut, I thought they would make a better footpath. Well, this was not the case. Those who are opportunists they then take this chance to sell stuff to make a living. This is clear that cutting down trees, making the footpath but people cannot use it; motorcyclists cannot ride on it since it is too narrow!

Is there any other factor? I would say it is about people's mentality. Planning technique, we learn all that. If you ask people in this country, they can answer everything in anything. But when you ask who would do

it? There is no answer. Let me ask about traffic lights, red, yellow and green. What do they mean? Red means stop, green means you can go and yellow means be prepared to stop, right? In reality, do people stop? When the traffic lights turn to yellow, they floor it! Why do policemen not arrest them? Well, they are not able to since they all think like this. It is the same with littering. If you want the officers from the Bangkok Metropolitan Administration to arrest and fine you by setting up a booth, let me ask would people be that stupid to throw a piece of rubbish in front of them?

Some places are scattered with small pieces of rubbish. Cleaners sweep and then they just brush them down the drainage system. Once the drainage system is blocked, they blame one another. This is not a sole responsibility of city cleaners. I think the key factors which are health, education and employment are already basic foundation. Regarding Plan 12, how-to and what-to-do are all mentioned, not just the how-to. Important programs as a key flagship and cannot be avoided are such as infrastructure and logistics. Three point three trillion baht is the investment budget, but can we complete it within 5 years? That is another story. Tomorrow the Prime Minister will go to follow-up the Suvannabhumi International Airport phase 2. The Airport Authority of Thailand already has that budget of 50-60 billion baht, it is a retain income. Sometime they wish to invest, but they cannot since they must implement the EIA and deal with other cases and complaints. In addition, they have to pay for the compensation over loud noise and others. They also have to comply with the Auditor General Office's regulations.

There are countless bits and pieces to talk about. As I said, the means to practical level lies with many hurdles, including short hurdles and obstacles in relation to regulations. This is because if the project does not pass the EIA, then they cannot carry on. How long does the EIA take? Well, the process needs to be done and can take up to a year. Considering this project, there should not be a problem but it has to go through EIA and specialists' approval.

How can we deal with key policy which can help leverage Thailand and lead to the state of sustainability and well-being? This is a yardstick. There are problems with the system which is not ready and regulations. Finally, the bottom line is people and mentality problem. These have to go hand in hand. People in media sector prefer to criticize others but never improve themselves. Some cases are good, they must help. For example, people do not understand the constitution and referendum since the

government did not take care of public relations well enough. As a result, most people did not go to vote. Who is responsible? They say it is the government's role. How about you, the media? Media knows, they can write about this via column and other means. They can interview people and help the government by organizing any forums, but they did not do. In the meantime, they would say 'do not touch us; we are the symbol of freedom'. If we actually limit their freedom, we are in grave danger. Let's ask when they wish to crush somebody, would they hold it responsible? Some people may complain why Thai children are not like Japanese children in terms of discipline. I challenged them back by asking if they would allow their children to clean school sinks and toilets. Well, they want their children to be more disciplined, yet they do not want other people to intervene. This is called self-contradiction in the Thai society. There are so many hypocrites.

Can you remember when there was riot, burning cars by immigrants in France? This is not immigrants as such; it is youngsters who have grown up in France. The issue of discrimination is there, we must accept. French do not complain like we do. Instead, they commissioned sociologists to conduct a research why there was the protest and violence like this occurred. A research finding was interesting. They found that an ethnic group which can adapt and live well with French's way of life is a community with a belief in Buddhism. This is to say that when there is a problem they study and tackle the problem, we do nothing but complain and then reach conclusion as this and then point the finger of blame at one another.

Let's look at the EU as trade partnership with Thailand. They would like to buy goods from us since our products are of high quality. For instance, fructose sugar, which is made from sugar palm, is actually ordered by Japan and also Europe. When I had a meeting with provincial officers for integrating NESDB Plan with provincial plans, it turned out that the Chairwoman of Industry Commission for Phetchaburi Province; she runs this kind of business. Local people they did not know how to make fructose sugar even it is made from palm. Local people usually use palm sugar to make Thai dessert (Kanom Moh Kang) instead, it costs about 30 baht per kilogram. If they make fructose sugar, it could cost up to 80 baht per kilogram and that was the price at that time. There is not sufficient supply. If we can do like this, everybody is happy. We must manage to adjust some techniques to produce it according to cleanliness,

standard and hygiene. English businessmen even flew in to see it with their own eyes and said that it is freshly made and has better aroma than the sample we sent.

For farmers who grow vegetables, German businessmen went to Yasothorn province. While farmers there did not join the rice pledging scheme so they grow vegetables in accordance with the requests. They grow organic vegetables. I once talked with a local philosopher. Sometime we think that we are smart, study a lot, but when we talk to local people we learn a lot more. For instance, soil in the Northeastern part of Thailand is not so good. Farmers must improve its condition before they can plant something. I thought they would have to seek consultation with the Department of Land Development, using tools to measure the pH level. You know what; villagers told me that this is very easy; you see if there is weed, this means the soil is in a good condition. This is a local wisdom. The EU is our market and Thailand is their trade partner. I think it is a must and a concept to produce high quality products, not only for them but also for us. Sometime, I am fed up with the tourism industry; they like to say that we must practice our good hospitality, inviting people to come in. This is wrong. Looking at those vans and buses that stormed in, they created disturbing noises and wastes. This created negative impacts on us.

Would you allow this to happen if Thai people practice the same? Many things we do not allow, why then allow others? This is mentality. For instance, exporting palm sugar, longan and durian, when testing for chemicals, there must be none leftover but when they sell to Thai people, they just sell a different grade of produces. After the intake, if Thai people develop cancer, then it is their problem. How can we measure well-being in this regard? We cannot. Health is a concern. It is public health problem in addition to public expenditure. The figure of well-being slowly increased during Plan 11, from 71.5 to 73.7, but we invested in this matter a lot. The Ministry of Public Health receives the annual budget quite a lot as well as the Ministry of Agriculture and Agricultural Cooperatives. The Ministry of Education ranks the top for budget allocation and in terms of percentage per the total budget, which is 20 something of the total budget. Singapore cannot compete with us. However, the outcome is terrible. The solution is done by setting up this and downsizing that department. Is it correct? They even talked about the child-centered approach, I am bored with it. Teachers must be developed by creating more incentives for them. Paradoxically, now

teachers earn more than other kinds of civil servants. They also have debt-relief programme. How about other civil servants? Why are teachers indebted more than others? I do not understand.

All in all, when negotiating with the EU I think education is of high priority, other factors as employment and health are at medium priority. With regard to Thailand's kitchen to the world policy, this is not just delicious food but they must be hygienic and meet standard. Concerning discipline, it is related to education and this is not just children being taught in a school environment; it is from surrounding environment around us, at home and the media. If the media creates foul and rotten information, how can we rely upon? Schools teach one thing, but when students step outside, they face a different world. If they do not realize, it is very difficult. Many stores also focus on consumerism too much. Where is integrity? Sometime we never think how we should use resources, how one should practice?

Analysis

<div> Theories Key informant </div>	Game theory	Normative Power Europe	Development Policy of the European Union	Well-being for Flourishing society	The World after GDP
Mr.Thanin Pa-em, Deputy Secretary General of the National Economic and Social Development	<i>"Let me ask why Thailand wants to produce cars, how can we compete with Germany and Japan with regard to motor</i>	<i>"Let's look at the EU as trade partnership with Thailand. They would like to buy goods from us since our products</i>	<i>"The EU is our market and Thailand is their trade partner. I think it is a must and a concept to produce high quality</i>	<i>"Under Plan 8, once Thailand collapsed economically, His Majesty King Bhumibol talked about Philosophy of Sufficiency</i>	<i>"The point is in Thailand the concept of well-being was developed since NESDB Plan 8. When we turned to Plan 9, we</i>

Board (NESDB), Thailand	<i>development? They have developed it so far ahead. Why should we compete with them?"</i>	<i>are of high quality. For instance, fructose sugar, which is made from sugar palm, is actually ordered by Japan and also Europe."</i>	<i>products, not only for them but also for us."</i>	<i>Economy (SEP). This is exactly connected with well-being. This is because SEP does not tell us that one must make more money, it is not necessary."</i>	<i>developed measures and keep adjusting until now it is called Green and Happiness Index. Indicators are such as well- being, warm family, strong community, strong and just economy, meaning fair distribution of income."</i>
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3.1.2 Mr. Philipp Dupuis, Minister Counselor, Head of the Economic and Trade Section, Delegation of the European Union, Bangkok, Thailand, and

3.1.3 Mr. Jerome Pons, Head of Cooperation, Thailand and Malaysia, Delegation of the European Union, Bangkok, Thailand

Apart from the five key questions, the researcher asked the following question, which reads: 'In general, do you think the EU is still attractive for regions and countries around the world after all the mess like immigration crisis in the EU, this could be in terms of investment, well-being as well as humanitarian aid?'

Mr. Philipp Dupuis: *First let me take EU attractiveness as for investor and for business in general. We have immigration issue which is more political problem than really something which affects the economy as such. It has political implication, which are some parts leading to polarization for politics but the EU can well bear the immigrants that we have. So this is not the point as such. If you look at the EU, we have over 500 million inhabitants. We have quite good purchasing power and this is still there one point. The EU is still the biggest investor abroad and the biggest destination for foreign investments and the biggest provider of development assistance as well. It is still the biggest most innovative region if you look at the number of patents. It has a very elaborated infrastructure so I don't think there is any question about attractiveness for the EU as for investments and for doing business even with a Brexit. If the Brexit happens, even then its terrain is quite big for the region. So I don't think this is anything one has to put in the question and it remains the investment destination. I mean investors looking what are the production costs, what is the level of education, what is the number of researchers, et cetera, but I think on that side there is no real concern. We even see some investment from China is coming back. Why? Legal stability, legal certainty is very big, low level of corruption, the level of education is very good, political certainty, even we have issue like immigration and Brexit, and our infrastructure is good, transportation security. If you take everything together and our wages is higher, companies continue to live up to the chance as well. So we cannot just say it is all fine, I think we continue to watch and also reform if there is necessary. So in terms of that side of the question I think there is no really for wider concern.*

The other thing is we have this same in Europe the media always talks about negative aspect. If I read the media here about Europe, it is all about Brexit and immigration. If you read the media in Europe about something abroad, it is all about what is happening there not about the progress. So this is why we always have to look at things from two sides. But that is only for the economy.

Mr. Jerome Pons: *We are the biggest partner. We are not giving up on the well-being to the rest of the world clearly. But let me take on your first point in terms of immigration and the impact. Immigrations coming from the Middle East and Africa they are attracted to the EU's employment, education, for health probably a little bit less. At the end of the day if you look at the Syrian refugees they are not going to Russia, they are not going to the Middle East; they are going to Europe because there is an attraction.*

And to some extent the immigration is the issue for the EU to manage in a proper way. In response to the question asked, it is because there is a well-being in Europe, there is a model in Europe we are still promoting and defending in that people are attracted to Europe. That is true. We have several hundreds of thousands of refugees and immigrants coming to Europe every year, which is a challenge for Europe and it would be a challenge for anybody else at the end of the day.

Regarding the number of immigrants, is there a limited number for each Member States of the EU is obliged to take in per year?

Mr. Philipp Dupuis: *It is a bit of the matter of debate. We do not have any maximum number as the EU. The question is number of these immigrants are going towards the wealthier EU member countries, also Hungary as well. So in related term Austria, Germany or Denmark or Sweden, they are wealthier. And so there has been a kind of concentration of immigration stream maybe Germany, France, UK, Sweden and the debate within the EU is to see whether these are immigrants or refugees because some refugees would like to go back, let's say Syria, once the situation is normalized. They are refugees from the war but they are not necessarily coming to be permanent immigrants. But the debate now is whether number of refugees should be distributed between the EU member countries on the matter of solidarity. This is the debate because some countries say we do not want to take too many because our economies are, literally speaking, weaker. So this is in terms of discussion that is not ended but then you can talk about the number as well in terms of individual country, but I think if you talk about refugees you cannot talk about maximum number. When you have immigration policy like Canada you can say I take up a certain number of immigrants per year. But refugees are refugees they are away from the situation of distress and they will not be regulated by number.*

Mr. Jerome Pons: *I think there has been some sort of agreement to sharing the burden of refugees but this is as much an economic question as political question as well. Some countries are much less opened than others to welcome foreigners and refugees, so this is a difficult debate, an ongoing debate. In terms of support, there is a change in the way we provide support in a sense that we are trying to address immigration issue as much as we can with our partner countries.*

And there are two aspects of it, there is a management of the flows, so we try help with accommodating the refugees wherever they are coming from in providing shelter, providing food, providing psychological support as well, and there is an aspect of support that goes into the security of that, so the checks that you have to do on these people before they are coming to Europe. The verification of the paper, the verification of their status, et cetera, and this is two types of support that we are trying to provide, basically to increase our assistance to that as a result of the crisis developed since last year and to some extent the year before. So we are providing some sort of responses, it is always difficult to judge if this is enough or not but there is, we as an organization what we do so that we help address with our partners, it is always with our partners I think. This is something we do ourselves; we have the country dealing with that.

Concerning the spirit of the Treaty of Lisbon, the main objective, the main goal, is it to provide overall well-being to the EU citizen?

Mr. Philipp Dupuis: *Well, yes. It would be difficult to say the contrary. I mean any such treaty is not a means for itself. In the end, what you want to achieve is to achieve the well-being of economy in the sense of growth and job if that is what you look for. And the Treaty of Lisbon was seen as a tool but this is not the only thing that has put the European Union on a new political basis. And in terms of institution and in terms of how political elements of EU institutions in Brussels and the Member States are working together. So it is not only well-being per se, it has a wider context. But the ultimate goal, yes, it is a more efficient mechanism for Europe. All this is meant to increase growth for job, to increase opportunity for job, to ultimately make Europe more efficient than it is and the Treaty of Lisbon has also endorsed the kind of catalog of citizen rights, so more social, more equality, as trying to get everybody a job.*

Mr. Jerome Pons: *More social Europe as in response to criticism in the past where it was mostly an economic Europe, Europe of trade and in exchange we try to move to a more social Europe and that directly has an impact on well-being for Europe citizens.*

To what extent has the EU conducted development and trade policy in relation to well-being when interacting with ASEAN?

Mr. Jerome Pons: *At this point in time, the EU Development funding has 3.3 billion euro for the entire Asian region as development cooperation which are going out to our partner countries and which are essentially on social sector in general—health, education, rural development, agriculture, these types of thing. So this is what we do with the promotion of responses to basically help poverty reduction in every country that we work with. You know, it is a policy of the EU and also by the European parliament, and we promise to the European Parliament that 30-40 percent of what we do will be focusing on education because we see that as the key priority worldwide; same with health, important percentage of what we do should be focusing on health, because we see that health is a global priority for the EU. So this is what we do everywhere in the world as well as in Asia. My point on the 3.3 billion, it is really about the budget support operation, it is really a direct support to the countries to deal with those social sector issues. And so yes there is a very clear link as far as we are concerned in terms of development cooperation.*

In terms of technical assistance, what we do is to support at national priority that is one thing so the government develops their own strategy and we support them in implementing those strategies. That is one key aspect, which is about ownership. We do not want to impose anything that we think is good, we want the country to say this is our priority and I think if they are happy with those priorities and there are always international standard on health and education that we are trying to promote which is always something that we can support. Then we can give the money to the government for them to implement their own policies. But we also provide technical assistance indeed and we help the country in building capacity and developing capacity, and developing curricular that are basically consistent with what they want to achieve and what we think we can help with. There has been a lot of reform in the EU countries of which you can have lesson learned that are pickable in x, y, and z countries. This is something that we promote as well. It is more about technical assistance and dialogue, but it has a strong value for the country we are trying to assist by just exporting them to what we have been through. This is something that are in high demand actually.

And that covers support we have been providing concrete support, primary education which is priority and secondary education as well. Once primary is achieved, then you get into secondary education and tertiary is not such a priority in terms of development cooperation but it is in terms of developing partnership under Erasmus Mundus program and Marie Curie programme as well. Those are really support programs that are not development per se; they are education programme between institutions in the developing countries in Asia and similar institutions in Europe. So this is a little bit different; it is more like twinning program. It is not like development providing support directly from one to the other. It is really developing partnership; it is developing bridges, developing linkages between universities so that basically good practices can be developed and passed on from one to the other. It is not only one side from Europe to Asia. It really works both ways.

Mr. Philipp Dupuis: *In terms of trade policy, sustainable development has become basically a mainstream in the EU trade policy. It is part of the EU trade policy at all levels. We also live very much now by the Agenda 2030 Sustainable Development Goals. So they are in a way directing our trade policy, there are other components but it is not important part of it.*

Trade and sustainable development is important and there we look particularly at labor and environment, but we also we have a strong link to human rights and to democracy. That is some kind of core values that need to be promoted. We see trade policy as a vehicle to support an inclusive and sustainable growth.

For our instruments, there are two instruments to that. One instrument is bilateral level and FTAs, we have development chapter of FTA which are quite strong disciplines that they commit both sides not only partners but also the EU to ratify which case that the EU have done, to live by the core of international labor convention, by the multilateral agreements and there is a clear line in our agreement as well. That in case of strong and human rights violation, democracy violations, FTAs could be suspended. So that is on bilateral side. We then have unilateral instruments. One is the GSPs; Generalized System of Preferences, that one instrument that we mostly apply to countries most in need and the instrument is about lifting the duty or lowering import duty for products from the country in question. Thailand for example is not a beneficiary anymore because it has moved up in terms of the income so it is not the beneficiary of GSPs

anymore. But if you look at Asia for example, the beneficiaries are Myanmar, Laos, Cambodia, those are examples. I quoted these countries because they are also LDCs countries who benefit from the special form of the GSPs, which is called 'Everything but Arms.' And these countries can export to European Union. Duty free and quota free, all that products except arms and ammunitions. This has been a great success for the Cambodian case. The EU is the biggest export market for Cambodia. Cambodia has grown to be the biggest rice provider of the EU, and Cambodia is exporting all the garment industry in Cambodia mainly oriented towards the EU, which used to be an issue because it is very much focused on a certain product that has dependency on. That is another story. But this really helps to create job for the Cambodian and help to link Cambodia to international trade again.

We have similarities in Laos and Myanmar. Myanmar is more and more coming up as the country is starting to grow economically and performing and Laos is relatively small but it also links to the production. So that is GSPs as the second instrument. Then we have the third instrument that is 'Aid for Trade', that is more in terms of development cooperation in the trade area. Something that we actively use in OECD countries in particular, here the goal is to create, let's say the basic conditions for the country to participate in the world economy and to take trade further and also to create domestic investment for domestic investor. So we talk about institution building, capacity building, in some cases, let's say help create basic infrastructure conditions in order to allow better business environment. Standard is important. That we help for example in the buildup of a system of sanitary standard which allows to produce as we are talking about agricultural producers to produce agricultural products which can then be in respect of EU rules and regulations and then they can be exported to the European market. Tractability can also be a part of it and it is very tricky issue. It is about very simple thing sometime a product is tested on ground; that they are free from certain diseases or then can be certified, being complied with and so on. Then we talk about GMO or in pesticide or other things. Yes, if you export rice to the EU, it cannot have trace of certain pesticide. So it is clear it has to be tested. So that is all the part of Aid for Trade instrument and then of course the EU multilaterally engages in sustainable development issues. For example, we work and are very active in promoting the OECD for corporate social responsibility. So to promote that company, investor and also look at the well-being of the workers

and then the environment, and we of course very much encourage European companies abroad to be a model.

Apart from health, education and employment factors, what are other key indicators which can be used to reflect and measure well-being for both the EU and ASEAN?

Mr. Phillip Dupuis: *We have to take the inspiration of Bhutan, which is happiness, the well-being of Bhutan.*

Mr. Jarome Pons: *I think for us the key element would be governors, the general governor agenda, in a sense of inclusive decision making process in making people actively participating to decision that affects them in terms of policymaking by the government basically. And that I think it is a very strong point, which I think it is much more political than education, health or employment, but I think it is important for well-being as well. And that covers everything; it covers human rights, rights for people to express their views. That covers the protection, promotion of gender, for example gender equality, inclusive development that means benefiting to everybody, the poor, and the less poor, the young people and the elderly which are elements that cannot be ignored.*

Human rights aspect that is about democratic systems that are in place, so basically the right to choose your government without any pressure and then may be more and more, which is about dealing not necessarily with development policy, not only looking at poverty reduction but also reducing inequality basically increasing equality, social inclusion that everybody should be considered then everybody should benefit. So those are important elements of well-being in addition to the three that you mentioned that may be the basic for development cooperation for education, health and employment. Maybe employment is a bit less, but education and health have been the core business of what we have been doing for the last forty-fifty years in development. And now we are for the last twenty years since the 1990s we are working much more on governance aspect in which you could not find anywhere but now you can find in every country including in Asia where we do our support for governance in general everywhere we work, which is more or less success but still we are trying to work more on that.

Mr. Philips Dupuis: *I mean well-being is a very vague term as such, so and if you look at it closer and link to the discussion we just had and if you look at the trade agreement, we have it with sustainable development chapter. And for us they are a must. They cannot be in agreement without the sustainable development chapter, which is strong as such. It means also subject to a dispute procedure. I mean it always links of course to labor, environment, link to trade. It is not a sustainable development agreement. It is a trade agreement but the components on sustainable development, so we have it in already. And in a way you know we also talk about trade agreement about elements as I said we have mechanisms which allow us to suspend agreement if there are a throng of human rights violations and democracy is also a leading principle in our agreement. And then there is something else which is in public discussion within Europe and we had it within a seminar last week as well is that we want to make sure that our agreement despite the mutual obligation that their trade preserve the right of government to regulate for the public good. It means that nothing is such an agreement which can limit a government to regulate on labor issue, on social issue, on environmental issue, on education issue, on cultural issue, on security issue, as long as it is not arbitrary. That is a key thing.*

But you cannot use an agreement to claim that because Thailand has, you know, made more tangent regulation in mission of factory you cannot claim by such an agreement that is a violation of the agreement because it is awkward for obligation for company operating in Thailand. But as long as the Thai law says for all companies, it is fine. If the Thai law would say only the European companies have to respect the new law, then there would be an issue. This is an important element, which has always been there but we have now expressed it very clearly because it is a public concern. Such agreement could be used by business to limit the well-being; by saying okay a company cannot increase minimum wages or anything that is not the case. So that is an important element. So in terms of trade agreement I think we have it in it. If we look at political framework agreement, we have also many of all these components of human rights, democracy and good governance, of labor and environmental principal, et cetera. So it is part of ours, but it is not spelled out as well-being.

Mr. Jerome Pons: *I think to some extent for development cooperation, those are elements, I mean your definition of well-being, health, education and employment, they are there they are part of our policy. If you look at the concern for sustainable development from 2005, the Agenda for Change; and the most recent one is Agenda for Change 2030. You will find all that there. So for us it is not something that you want to put on the table because it is already there. It is part of what we do, how we promote and what we promote vis-à-vis each and every country. Then we do have to respect and align to the priority of the country. So in some countries they would decide that education is the priority then we would help them with that. In other country, they would decide health is the priority then we would help them. And in country where you have achieved significantly high level in both education and health, then we happily move to some other areas. So it is a part of what we do, it is our priority that we try to promote. I would say it is not for negotiation; it is there the bottom line of what we do.*

Mr. Philips Dupuis: *I think the issue, if we interpret well-being in the term as what we discussed about, that is underlines with everything we do. If I take it in terms of trade policy or trade agreement, I think our approach is the benchmark and I think what we have in terms of sustainable development elements of trade agreement is probably the most advanced worldwide. But of course you can do more around it because there are always trade and investment and then you can do more in terms of project that you are referring to. There I think again all these underline with all projects as well.*

Mr. Jerome Pons: *The only element I would add on ARISE is the focus is not specifically on well-being. The focus is much more on general promotion of regional integration. And you know the EU has always been big on that, being integrated to the EU in all aspects, and so we try to promote that wherever we work basically because we think that working at regional level add an advantage to the country that belongs to that region, so they can talk to each other much more and the EU we can engage with grouping of the countries and not with individual country per se. So ARISE is much more about this promotion of regional integration in Asia and for the EU to provide assistance in whatever aspect necessary, just to give you two examples because we are in Thailand we are helping with the interaction, integration of the ASEAN market, facilitation and intellectual property rights, so if you look at it like that it falls a little bit outside of your definition of well-being. Yet, on those specific aspects, it is something that*

we promote at regional level. We make the work domain much easier for the region and of course the interaction with the EU much easier as well as support we provide. So to some extent, we are promoting better functioning region on those two domains and the Asia relations with the EU and ASEAN, which is ultimately for the benefit of population because it is the promotion of growth, competitiveness and cheaper services for everybody on both aspects.

Mr. Jerome Pons: *For the tool provided in terms of development, if you look at it in general for development worldwide, then we tick all of that. If you are talking about Asia and Thailand in particular, then I would say we go for health, education as medium and employment is high. But for a very simple reason it is a middle income country. And a middle income country has achieved very solid progress in terms of SDGs, there is much less to do in health and education in Thailand now than we had to do twenty or thirty years ago. To me, the priority must have moved from a very high to medium now I think would go down to low because it is already taken care of. Keep in mind that we try to, as for development, respond to the needs of the country, We do not just say primary education is important all over the world and everywhere we work on that, we say it is important everywhere but wherever we achieve high level of education then we do not have to support that anymore, then we move to something else. So in middle income countries you will see more focus on employment, it is connected to growth, it is connected to inclusiveness as well and much less on health and education, which are quite well covered at least at primary and secondary level, and automatically you will see less money going to that. For high priority, wherever, it is not an easy response to give because it depends on which country you work with. If Vietnam thinks education is very important, then therefore it should be our priority. Even if you look at the figure they are reaching 99 percent of kids in school, but yet they say they still want to maintain that 99 percent. So the question of priority is based on each country.*

Mr. Philips Dupuis: *In terms of trade, it does not really fit to trade because a trade agreement is not a health agreement, not an education agreement and it is not an employment agreement as such. Even if what we want to achieve with the trade agreement we put more in front. I mean we don't do trade agreement for the sake of having a trade agreement and have negotiator employed but what we want to achieve is for both sides that they can use their budget comparatively in order, let's say, to create a front.*

That's what we want to achieve, that's the ultimate goal, and trade and well-being that way. But on the other hand, we should look at other components of the tree as well in general. I think you have to put it again more in a sense that coming back to the right to regulate that we want our trade agreement, our investment agreement, not get to the way of health, employment and education. Not an education agreement but of course we want our trade agreement do not hamper education or health policy with us and with our partners. Health is indirectly important element when we come again to talk about standard when we put standard, for example, to health issue. But it is not that we say we cooperate in terms of medical education, in terms of cooperation of what is not part of trade agreement. But we certainly want to make sure that we ourselves and also our partner countries remain free on health policy and remain free what is prone to health. The same applies to education; it is not university exchange program. So that's why we have to be a little bit careful with this table in the case of trade agreement. You can't really use it but we want to make sure that these core indicators are not impeded by trade.

Mr. Jerome Pons: *This is about production of toys in China. The demonstration is crystal clear because of the EU safety standard, the companies in China have to adapt and to make toys safe for the kids, and for the exports and automatically the safety measure has been exported to China. And it is good for China apply actually the same standard because most companies it is easier for them to have one production line applying the same standard all along and then they can get the goods at the end, which are safe for Europe and China. That was a very interesting study that shows that automatically our standards are actually passed on to Chinese market, providing protection for the little Chinese as much as for little European buying the same product. The thing was little Europeans were paying ten times the price than the little Chinese were paying for the same good but at least the good was safe for both of them. So I think it is one of those cases where you can show it is actually a good practice that moves from one part of the world to the other part and benefit the entire system for both in Europe and China.*

Mr. Philips Dupuis: *I mean we have the same in the food sector. I mean we have had agreement with some countries where they were complaining about our EFSA's standard, saying in a way that was a trade barrier, that is strong, et cetera. That's not a trade barrier because it applies to everybody. Not just the EU producers, but it also applies to the import. You cannot have two different qualities. And then later*

on, producers in these countries came back and say 'you know at the end of the day thank you for imposing this strong standard because now our industry producing according to EU's standard and our own citizens are benefiting for the better.' And if you produce according to the EU standard you are not only able to sell to the EU but you are able to sell everywhere in the world and so they say our country benefit from it not only in terms of export possibility but also for our own citizens, the quality of food industry producers has been gone up. So that is a similar example.

Analysis

Theories Key informants	Game theory	Normative Power Europe	Development Policy of the European Union	Well-being for Flourishing society	The World after GDP
Mr. Phillip Dupuis, Head of the Economic and Trade Section, Delegation of the European Union, Bangkok, Thailand	“But if you look at Asia for example, the beneficiaries are Myanmar, Laos, Cambodia, those are examples. I quoted these countries because they are also LDCs	“We even see some investment from China is coming back. Why? Legal stability, legal certainty is very big, low level of corruption, the level of education is	“The EU is still the biggest investor abroad and the biggest destination for foreign investments and the biggest provider of development assistance as well.”	“...the EU multilaterally engages in sustainable development issues. For example, we work and are very active in promoting the OECD for corporate social	“We have to take the inspiration of Bhutan, which is happiness, the well-being of Bhutan.”

	<p><i>countries who benefit from the special form of the GSPs, which is called 'Everything but Arms.' And these countries can export to European Union."</i></p>	<p><i>very good, political certainty, even we have issue like immigration and Brexit, and our infrastructure is good, transportation security."</i></p>		<p><i>responsibility. So to promote that company, investor and also look at the well-being of the workers and then the environment, and we of course very much encourage European companies aboard to be a model."</i></p>	
<p>Mr. Jerome Pons, Head of Cooperation, Thailand and Malaysia, Delegation of the European Union, Bangkok,</p>	<p><i>"...inclusive decision making process in making people actively participating to decision that affects them in</i></p>	<p><i>"...it is because there is a well-being in Europe, there is a model in Europe we are still promoting and defending</i></p>	<p><i>"We are the biggest partner. We have provided for the well-being to the rest of the world."</i></p> <p><i>"At this point in time, the EU</i></p>	<p><i>"...it is a policy of the EU and also the European parliament, and a promise of European Parliament that 30-40 percent</i></p>	<p><i>"...what we do is to support at national priority that is one thing so the government develops their own strategy</i></p>

Thailand	<p>terms of policymaking by the government basically. And that I think it is a very strong point, which I think it is much more political than education, health or employment, but I think it is important for well-being as well. And that covers everything; it covers human rights, rights for people to express their views.”</p>	<p>in that people are attracted to Europe.”</p>	<p>Development funding has 3.3 billion euro for the entire Asian region as development cooperation which are going out to our partner countries and which are essentially on social sector in general— health, education, rural development, agriculture, these types of thing. So this is what we do with the promotion of responses to basically help poverty reduction in a country that we</p>	<p>will be focusing on education because we see that as the key priority worldwide; same with health, important percentage of what we do should be focusing on health, because we see that health is a global priority for the EU. So this is what we do everywhere in the world as well as in Asia.”</p>	<p>and we support them in implementing those strategies. That is one key aspect, which is about ownership. We do not want to impose anything that we think is good, we want the country to say this is our priority and I think if they are happy with those priorities and there are always international standard on health and education that</p>
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			<i>work with.”</i>		<i>we are trying to promote which is always something that we can support.”</i>
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3.2 Academic perspective

3.2.1 Professor Charit Tingsabadh, Director of the Center for European Studies, Chulalongkorn University, Bangkok, Thailand.

I think well-being is the end goal of the Treaty of Lisbon, which is already set. Therefore, it can be said that many things are included within its objectives. However, I am not sure whether the interpretation of well-being which was set by you, defined by you, is in the realm of this policy? This is because trade policy entails single market for internal trade; regarding development it is related to what the general public already knows. As a consequence, the narrow meaning of trade and development policy is as aforementioned. Concerning well-being, it is the end goal and is considered higher level than that.

To answer this question, I think we must look at tangible projects or measures related to trade and development policy in which the EU has towards ASEAN. Then we can bring the issue of well-being to be considered through input, process, output and outcome of those projects, consequently we could say how much and to what extent well-being can create an impact on.

Obviously, the EU has been trying to do many things. For instance, education, which was selected here as one of the key factors, the EU has many projects focused on education since the era of ASEAN EU University Network (AEUNT) in which both regions were trying to interact. The Erasmus Mundus model was replicated and then it was finished. I think European studies, which has been supported by the EU in many places to have such course, is another concrete effort. So, Erasmus Mundus is a part of education. In the past, the EU used to support Thai students approximately 50-60 scholarships annually. Concerning employment, this is yet clearly seen since it is more likely considered a domestic matter. Whenever there is an opportunity for trade, then employment would follow. Regarding health, I am not sure how much the EU and ASEAN have relations over this matter, but I think it is better to look at projects related to health to answer this question.

This is up to your consideration upon which other indicators in measuring well-being can be used. The latest one could be the SDGs in which there are many indicators related to well-being. Then you could use them since there are more than three key factors that you have selected. As a consequence, you could look at well-being as unintentional result or side effect in which you have already expected. If the question only lies whether there are other indicators, then the matter is up to your consideration or else there could be some completed projects and the results appear that no one intended to make it happen, but it does and can be seen so, then it is a must to consider.

I think it is not necessary. Well-being is a responsibility of each government of each country. It is a domestic issue, not other people's concern. Of course, everybody wishes to see neighbors living in a state of well-being, it is normal. However, doing something overboard, this is not the case. We are not under somebody else's care. Obviously when the EU opens more to trade, then we can gain such interest. This is trade negotiation for our advantage, which is more likely to lead us to well-being.

This is difficult to say. If we say well-being is a national government issue, then it is not something of concern for a global actor to do much aside from being some sort of model. However, what is the meaning of well-being? It means that the government has the system where it looks after citizens, providing welfare system which came from an array of evolutions of each individual country. Then there is the matter of what people wish the government to do and not to do, this can be more likely called a national issue. This matter actually suits the citizens of each country to ask for something from their own government. As a result, they use this matter as a claim to put pressure on their government to do as other countries. Therefore, it results in being an example. We like to say that there are guaranteed price for agricultural produce, social welfare, child care unit in the workplace and so on. But I think it can only work at this level and it seems to be like the international standard in which the UN has already set. So we can say that well-being is quite an idealistic matter. Such case can be brought to relate with trade barrier. We may say that the practice to laborer and other matters can create a negative impact on well-being of laborer in addition to the standard of products that can affect health and hygiene of consumers. This involves well-being in relation to the dimension of health. It must also be connected with other dimensions when talking about well-being. They may use this matter to play with us, we don't know, like those NTB measures set.

Concerning the Brexit and the EU's budget, we can assume when England officially leaves the EU, accordingly there is no need to talk about it since they are no longer relevant. However, I think when we look at Norway and Switzerland in trading with the EU for instance, they wish to gain an access to the single market under the single market condition then they have to pay. I did not have the exact amount in details but it is a large amount in exchange of some conditions. For example, freedom of movement for people, the EU started negotiating with England that if they want to gain access to the single market, they have to allow freedom of movement as being a minimum deal. This is the Brexit's key issue. Those who voted 'No' to leave the EU, they wanted this way. According to referendum statistic, those who voted 'No' are the people who live outside of the cities. They are elderly who used to live comfortably, think of the beautiful past, and wish to

go back as it used to be. Whenever there is negative matters occur, then they blame the EU and immigrants.

Anyway, if we place an importance on these three key factors when negotiating, then I think employment is of high priority. This is because we wish to see people having a job and income. In terms of education, it can be considered high as well since we would like our children to have a good opportunity. Nonetheless, I think every country think that they are capable of providing a good education to their citizens.

In reality, I think well-being is not an important issue for a negotiating team from the Ministry of Commerce. This may be considered as a medium priority for them. If it is under the Ministry of Education, in fact they have never asked for anything. From their point of view, if Thailand receives assistance, it is considered positive. For instance, according to my experience, when discussing this issue at the Ministry of Foreign Affairs, they consulted with me which issue we should talk with the EU. Representatives from the Higher Education Commission were there, but they did not contribute anything significantly. So in this regard, education is of medium to low priority.

Even more so for public health, we then have to look at projects to seek what really people ask for. Is there anything tangible? This means that we may have to talk to the people inside the Ministry of Public Health to see how the result is when they deal with the EU, what they really want from the EU, to be clear. Then we can interpret and take it from there. Suppose we would like to attract students from overseas to study in Thailand, we must reach the negotiation. The Thai government must do everything to meet education standard at a jointly acceptable level. For instance, Australia and New Zealand export their education. So I think we must look at where the money is involved in this, after that we can follow.

Analysis

<div> Theories Key informant </div>	Game theory	Normative Power Europe	Development Policy of the European Union	Well-being for Flourishing society	The World after GDP
Professor Charit Tingsabadh, Director of the Center for European Studies, Chulalongkorn University, Bangkok, Thailand	<i>"Obviously when the EU opens more to trade, then we can gain such interest. This is trade negotiation for our advantage, which is more likely to lead us to well-being."</i>	<i>"...when we look at Norway and Switzerland in trading with the EU for instance, they wish to gain an access to the single market under the single market condition then they have to pay. I did not have the exact amount in details but it is a large amount in exchange of</i>	<i>"Suppose we would like to attract students from overseas to study in Thailand, we must reach the negotiation. The Thai government must do everything to meet education standard at a jointly acceptable level."</i>	<i>"So we can say that well-being is quite an idealistic matter. Such case can be brought to relate with trade barrier. We may say that the practice to laborer and other matters can create a negative impact on well-being of laborer in addition to the</i>	<i>"...what is the meaning of well-being? It means that the government has the system where it looks after citizens, providing welfare system which came from an array of evolutions of each individual country. Then there is the</i>

		<p>some conditions.”</p>		<p>standard of products that can affect health and hygiene of consumers.”</p>	<p>matter of what people wish the government to do and not to do, this can be more likely called a national issue. This matter actually suits the citizens of each country to ask for something from their own government. As a result, they use this matter as a claim to put pressure on their government to do as other countries.”</p>
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3.2.2 Professor Lorenzo Fioramonti, Director of the Centre for the Study of Governance Innovation, University of Pretoria, South Africa

My impression, what I can say from where I am standing is that European Union is not doing enough. The main problem is that I don't think well-being is not strong enough as a term in European language at all, especially when it comes to development and trade, certainly in a case of trade and also in a case of development. In a case of change, I hope to see more consensus on development will put more well-being in the center of what development really needs.

In the past, of course trade and development included hunger, more equitable form of growth. But I think well-being is much more than that well-being relates many ways both development and economic growth and I think European Union has not yet done enough in that regard. My concern the most is the fact that there is no coherence between any idea wellbeing-based development and the trade policy of the European Union. Not only in terms of whole process around free trade, economic partnership agreement, but also the inability to see beyond the simple liberalization of market as an opportunity to achieve well-being in development.

When compared Thailand and South Africa regarding the EU's role, the EU has done the same thing as in Thailand in terms of development. They have made many mistakes. In other words, South Africa is not Thailand; South Africa is much better equipped. South Africa is a bigger economy. South Africa is more in a position to say 'No' to the European Union to argue differently. Not always the arguments made by South Africa are reasonable or are in any way positive for well-being, but as what happened in the past I think the European Union got a lot of challenging works because of its trade policy must be in developing and middle income countries. My sense is that European Union's sole interest in choosing well-being based on the understanding of development. They need to seriously reconsider its trade policy within Europe but especially outside of Europe. It is interesting that Thailand as being a Buddhist country. There

is a lot of work that has been done and practices that are informed by the idea of Sufficiency Economy.

In understand that, when dealing with Thailand in terms of trade, and understand that Thai culture goes well beyond growth, once it is anchored an idea of development, which is about sharing, which is about sufficiency, which is about equitable, about natural resources, and so on so forth. You would be at odd when you look from a different culture, and I find that very extremely counterproductive.

I think the European Union has not engaged with ASEAN in terms of well-being. I think well-being is not yet part of their conversation and I think in many ways there has been a lot of work on nation values and ASEAN as a regional integration process, regional co-operations, et cetera. So my sense would be that if there was a regional organization in which the European Union would start having conversations about well-being beyond trade and development co-operations that would be ASEAN. There are so many things that have gone in that direction, and certainly there has not been anything like that in Africa here.

It is a similar trend in South Africa as in Thailand for younger generations to learning business at a higher level of education. In Asia, elements of Buddhist culture and Confucius culture coming together, I think there is much more sensitivity towards issues with sufficiency, building happiness and well-being, having the right amount rather than having too much or too little. I think it is less strong in South Africa where inequality is so significant and things are slightly different.

I think there are some good indicators, but inter-disciplinary research in well-being shows something really important and that is the human well-being seems to be the outcome of two main things, the quality of our social relations and the quality of the national environment, so these are the two elements. So it shows our relations with natural system. So if you want to add a pattern, let's say the social relations and growth, what matters is the level of education, state of health, your ability to be integrated into social context and your employment is good for that but it

depends on the quality of that. This is because if the quality is poor, then the level of employment takes away from the quality of social relations, so just measuring work, measuring employment is not enough because you could have a lot of people were employed but the kind of job they were from are detrimental to the social fabric. So education, healthcare, and the quality of social relations you can measure that but in terms of work, you can measure it in terms of social corridor. And the other part that you are missing is the quality of the natural conditions where you live. Human well-being cannot rise for people if there is no consideration paid to the eco-system in which you live. Then I think this is so important in the case of China. In China, you may have more and more people going to school, employment is going up including income, and healthcare may be improving in terms of provision of services not necessarily in terms of life expectancy or health profiles but what is seriously deteriorating is the national environment. When you look at the eco-system like the global burden of disease, which is the study of what is killing humans and how much does it cost. Many pieces of study show that China is always on top because of chronic sicknesses, chronic illnesses, non-communicable diseases caused by the pollution and the destruction of national environment.

To put well-being on the table when negotiating, well I think it is very simple. The Sustainable Development Goals, the SDGs, are all about well-being. There are 17 goals and many different issues but the thin red line, which connects them all, is the fact that we need sustainability development base while building human well-being, while making people's lives more satisfactory and more fulfilled and all of that. So I think what is important is that the SDGs and the agenda 2030 of the United Nations is really giving the framework to countries and international organizations like the European Union to move towards fostering well-being in every policy so. According to the SDGs and the Agenda 2030, well-being should be mainstreamed, in my view, in all policies. Trade, development, plans, investment, you name it. All of these policies related to change should be parring with well-being. So I think the SDGs/Agenda 2030 and your entry points are the one to go, the ones to use to make sure that well-being make it into the conversations.

In terms of Normative Power Europe, I would say ten or fifteen years ago, certainly yes, Europe has always been seen as a great model of human well-being in many different ways. People have higher life expectancy than the average, people enjoy good lives. They have good social services. People enjoy having a good job and good employment and all of that. But in the past twenty years, Europe has embarked on a number of new liberal policies and have increased inequalities, have increased pollution, have increased tension in society, have increased a tension among Member States. So I think in a sense the well-being components of Europe Normative Power being seriously weakened within the past two decades. The market policy, more sturdy policy, more reasoned policy on migration, and restriction on refugees and all of that are eroding the ability of the European Union as we see as a regional well-being becomes more and more weakened in a sense that the big mistake that Europe made was to try to imitate the 1990's instead of following its own path for development, which is much more concerned with sojourn environmental issues. It is a bit of that and to become much more free market, and that is now backfiring and at the same time it eroded Europe's ability to say look at me we are Normative Power in terms of well-being. I think this is all the case.

In terms of dealing with immigration issue in Europe, I don't think the problem is about putting in more money; the problem is about solving the issue while Africans as well as Middle-Eastern citizens are fleeing their own countries. Europe has a lot of responsibility. Many of the works that are being used in the Middle East are resources and these resources are used by the European companies. So the European companies are undermining the abilities of these countries and the people that flee to the EU. To put it simply, European citizens should get more upset with their own companies rather than with the countries where these people are coming from. And the same like Africa, one reason why Africans are seeking better future in Europe it is also because Europe for too long has exploited African countries. This does not mean European citizens literally are destroying African countries but European Corporations have, European governments had. So what needs to happen is really to go back to your question that Europe really needs to put the well-being of people at the center of all its foreign policy. This is why the structure of

foreign policy is reactive; the foreign policy should be proactive and try to change the structural conditions of the relationships between different countries. So, only if Europe invests seriously, and this does not mean more money, but changing the policy and changing especially the development approach towards African countries, which is dictated by European companies. Unless they change their approach, more and more people will come to Europe over time and since we expect the Africa to become the largest continent in the world by 2050, population between 2.5 billion to 3.5 billion people, some of those people about, billions of them will go to Europe and it is going to be a big mess.

Concerning Sufficiency Economy Philosophy, South Africa learns from Thailand, from Bhutan and other countries around the world. In South Africa, we have a culture called 'Ubuntu', which is basically all about understanding development, humanity, social relations as a society as a fabric. So I hope that we are going to join Thailand and other countries in redefining what it means to be developed, finding our own path we want to follow in order to achieve prosperity. You know, because I believe that current development approach that is based on economic growth is virtually unsustainable and undesirable. And in terms of unsustainable, people would not want to get stuck in traffic, even if traffic was not polluting, getting stuck in traffic, or being obese, or dying of stress-related diseases. It is not just bad because it is damaging the environment but because of that is not desirable to have in the first place. I think we can have a much better approach to development, which is not about creating waste, which is not about creating inequality, which is not about creating illnesses, sicknesses, and stress society in which violence is crowded, which is a case in South Africa where social stress is going to burst. I think we want those things to go. We want to develop in a different way. And I think example like the Sufficiency Economy in Thailand and Gross National Happiness in Bhutan, various cultures from Indonesia, South Africa, South America, Central America, Sweden, among other cultures that are all about finding development as balance. It is not about growth, it is about finding equilibrium and I think that is something we desperately need.

Analysis

<div> Theories Key informant </div>	Game theory	Normative Power Europe	Development Policy of the European Union	Well-being for Flourishing society	The World after GDP
Professor Lorenzo Fioramonti, Director of the Centre for the Study of Governance Innovation, University of Pretoria, South Africa	<p><i>"We want to develop in a different way. And I think example like the Sufficiency Economy in Thailand and Gross National Happiness in Bhutan, various cultures from Indonesia, South Africa, South America, Central America, Sweden,</i></p>	<p><i>"...Europe really needs to put the well-being of people at the center of all its foreign policy. This is why the structure of foreign policy is reactive; the foreign policy should be proactive and try to change the structural conditions of the relationships between</i></p>	<p><i>"So I think what is important is that the SDGs and the agenda 2030 of the United Nations is really giving the framework to countries and international organizations like the European Union to move towards fostering well-being in every policy so. According to the SDGs and the</i></p>	<p><i>"...So my sense would be that if there was a regional organization in which the European Union would start having conversations about well-being beyond trade and development co-operations that would be ASEAN."</i></p>	<p><i>"In Asia, elements of Buddhist culture and Confucius culture coming together, I think there is much more sensitivity towards issues with sufficiency, building happiness and well-being, having the right amount rather than having too</i></p>

	<p><i>among other cultures that are all about finding development as balance. It is not about growth, it is about finding equilibrium and I think that is something we desperately need.”</i></p>	<p><i>different countries.”</i></p>	<p><i>Agenda 2030, well-being should be mainstreamed, in my view, in all policies. Trade, development, plans, investment, you name it.”</i></p>		<p><i>much or too little.”</i></p>
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3.3 Regional perspective

3.3.1 Dr.Naruemit Hinshiranan, Chief Advisor, Greater Maekong Sub-region Trade Investment and Culture Center, Chiang Mai University, Thailand

I actually look at well-being as an issue related to being a part of society-that is ‘free from want’. To elaborate, it is an ability to be safe and secure. In addition, one must meet basic needs in life. In this regard, it is the first and foremost of any government’s responsibility to provide for their citizens. For example, news from Germany this morning reported that a man who lost his job and has been a beggar for quite a while time, the German government must use tax revenue to

provide social welfare. To earn money by begging is not correct, it seems like there must be security along with dignity. One must be able to do something according to his/her will. Therefore, connecting well-being with trade and development policy, it is considered difficult to measure. In terms of trade, the EU definitely wishes to receive maximum benefits. In fact, there are many advantages of trade and development policy of the EU which would stimulate changes and help develop standards for us to meet or at least getting closed to the EU's standard. However, when we discuss about well-being, it is rather difficult to measure. For example, in a case of Rohingya, their minimum level in life, they do not have security, neither well-being, nor dignity. This is a failure; it is considered zero standards and opposite to what the EU is proposing in terms of development. In general, well-being can be related to this matter.

Actually, the EU and ASEAN have been interacting with each other. The EU does have ambassadors posed in every capital of 10 ASEAN Member States in addition to Timor Leste. Therefore, the EU values the importance of this region. If we look at this region, except for Thailand, and if we count UK as the EU member regardless of Brexit, nine countries in ASEAN were colonized by the EU. Starting from Myanmar, Singapore and Malaysia-Britain was their colonizer, Cambodia and Vietnam-France, Timor Leste-Portugal, Indonesia-the Netherlands, the Philippines-Spain and then USA. In fact, if looking at this issue through moral obligation perspective, it is necessary that the colonized should receive assistance or even favoritism. Singapore is the best example since it develops itself to become a developed country and is better than some colonizers. For instance, at present, Portugal is less developed than Brazil; even Portuguese have to go to work in Brazil. Therefore, I think the EU's policy towards ASEAN has been indispensable and appropriate. In addition, if one observes the EU's behavior in which in the past they tried to work collectively. Each member country of the EU, for instance, England had 'Common Wealth', France had 'Francophonie', Portugal used 'Protugophone'; Spain had 'Hispanophone', including small countries that use their languages.

However, when considering ASEAN as a region, it has 11 member states in which the latest member is Timor-Leste. In the near future, it will become a full membership when Timor-Leste is ready and ASEAN is ready. Having said that, it is something the two regions can look at in particular under Asia-Europe Meeting or ASEM since 1996. Despite the fact that Asia and Europe shared colonial history, we did not have formal channel in order to communicate with each other as international organization and recently ASEM just held a meeting in Myanmar. Currently, there is an extension of this meeting since Asia has Mongolia participating in ASEM. This is not just ASEAN because it includes Japan, South Korea, China, Mongolia and other countries; this can be considered a region. In fact, Asia and Europe is the same continent if we consider geology and geography. As a result, China's OBOR-One Belt One Road policy is in fact focused on Europe and Asia, even though some countries from Africa are a part of this initiative. For instance, Egypt, when travelling by sea from Asia to Europe we must pass Africa, we have to go through Suez Canal, the Red Sea; in that regard we must meet Egyptian and Hi Butik in which they control the sea route.

Furthermore, some other countries such as Kenya has involved in OBOR as well. So, China's OBOR is modern and up-to-date. As a consequence, I think your research can extend to how ASEAN and the EU are related to OBOR. As we can see, China uses sweeping strategy and 66 countries are in this initiative and all member countries in ASEAN are in this, the EU is also included, Russia and other countries also join. Therefore, they are potentially relevant.

In terms of trade, at some certain point, the 'Old World' which is Europe, trade center of the world was moved from Europe to the US and the US is the superpower. However, now the US does not realize that how and what 'America first' actually means. They do not care about what role the superpower should lead and act as a role model to smaller countries. Let's say if every country says 'my country first', suppose Thailand says 'Thailand first', this implies every country is selfish. Then the issue of Rohingya is not a concern, no need for solution, no need for mechanism. This is a very dangerous way of thinking. A global credit should be given to President Xi Jin Ping who

sees China as a leader with potential role to play on a global stage such as Paris Agreement on Climate Change 2015. China promises that they will carry over. Simultaneously, a recent TPP meeting in Manila, Japan's Prime Minister Shinso Abe said that 11 member countries of TPP will continue with the deal.

In sum, although the US has not taken a leading role in TPP other countries still place importance on it. In fact, there is no Australia and New Zealand involvement but if we look at ASEAN together with China, Japan, South Korea, Australia, New Zealand, India and if we include the US and Canada, this will be EAS or European-ASEAN Summit. It seems like connecting a jigsaw but we choose to speak only about the European and the EU. However, we must actually look at RCEP after the US withdrew from TPP; as a result RCEP is our hope. This means ASEAN+6, which are ASEAN plus China, Japan, South Korea, Australia, New Zealand and India, namely 10+6 countries, 16 countries in total. In reality, it makes more sense than TPP since there is a vast difference in many dimensions, not to mention a considerable distance in which member countries are from America, South America, socialist country like Vietnam, ASEAN Member States also join such as Malaysia, Vietnam, Brunei and Singapore. In total, there are 12 countries involving in TPP, four countries from ASEAN; this looks like selecting representatives from each region, so it is not a clear picture of collaboration and cannot be taken as an overall point of view. In this regard, RCEP and ASEAN are in a position to necessarily continue the work collectively and centrality.

This is because in the past APEC relied on ASEAN as a principle player. Back in 1989 when APEC 21 economies gathered and held a meeting, it was really ASEAN. When they had a meeting, they rotated the chairperson role. Suppose this year ASEAN takes a chairperson role, then next year it would be non-ASEAN country's role. It seems like this is ASEAN centrality and ability to control the game. However, currently ASEAN is quite fragmented. For instance, Laos PDR and Cambodia rely on China way too much, as can be seen from the fact that ASEAN cannot release annual joint communiqué. This means that China can fully interfere with ASEAN.

Practically, ASEAN must be able to stand on its own feet. Of course, there are USA, Japan, China or even Russia, but ASEAN must keep the distance, not taking side. This can cause negative effect for the whole region and lose creditability.

It seems like we have to keep ASEAN cohesiveness. ASEAN always says about resilience, which is the ability to tackle external challenges. In practice, it is obvious that ASEAN is still weak internally, like Cambodia is now trying to rid of opposition party. This is considered 'Linkage politics'. National politics and international affairs and foreign policy are inseparable since foreign policy is the expansion of a country's national policy.

If we observe the EU's human rights, they have the human rights court at Strasbourg. They can file a legal suit in which a state can be sued as defendant. At some certain level, the EU has integrated well. However, some issue that is still not clear is that of the Common Security and Foreign Policy in which the EU Member States have not yet voiced this matter towards the same direction. At present, there is a challenging point for the EU. In this regard, the UK has been fighting like cat and dog with the EU. In the past, when there were six member countries in the EU (then the EC), the UK had a group called the 'Outer seven', which comprised Switzerland, Norway, Lichtenstein and the rest in order to compete with the EU. Finally, they could not compete and then they changed to join the EU. To compare, Vietnam's behavior was the same before joining ASEAN, but in the future, I am not certain. With regard to the EU, it is strange whether in the end how the EU will reach solution since the Brexit has begun the negotiation process.

Concerning that, more money is needed to pay. Another thing is that, banks that are usually based in London must move to other cities in Europe. There is a regulatory which says banks can move to other cities within the EU such as from London to Paris. For instance, European Central Bank (ECB) is in Frankfurt but some want it to be based in Paris. Regarding Brexit, I think England is in a position of loss rather than gain. As what I said, although England has

commonwealth all over the world, but according to the past experience concerning common external tariffs, New Zealand and Australia still have to pay tariffs as non-member countries or countries from Africa when trading with England.

This seems like if it is a rule then it should be practiced in the same manner. Currently, England is leaving the EU. In the past, when there was a negotiation it could be done within the EU but now England cannot. As a consequence, England has to take care of every issue when dealing with negotiations. So, I see it as a mistake but I am not sure that this issue would be fixed in time. If they really want out, then England will suffer as a result. The internationalized setting as financial center like Frankfurt, Tokyo and New York will be gone. This is clear as being a regression. For instance, more than 1 million Polish who live in England will be affected by the Brexit. It means they have to go back to Poland. They are considered 'British' even though their origin is from somewhere else. Under the EU, everything can accommodate. It means they can still work. English can go to work in Poland, also can others. If England really leaves the EU, the same like being divorced, everything must be returned. If there is another referendum vote, people may vote to stay. Compared with Hillary Clinton, she lost electoral vote but won popular vote. You see, this is not unanimous. It must win both types of vote; they then can announce a complete winning.

The three key factors, which are education, health and employment, are extremely crucial. Considering health, England fails since English must seek welfare externally. English people must await their doctors for months or it could take up to a year to receive an operation. In fact, either health or education, a country needs to develop on one's own and there is also a group of brain drain. If we observe, we can see that United States and Japan, they do not desire those who are migrants to work but for those who are academically intelligent, so-called brain drain, they allow them to work. This clearly indicates that they would like brain drain to help develop the country. Regarding employment, any society with full employment rate means that it can respond to the needs. Take Thailand for instance, we do not have enough engineers. Concerning the EEC

or Eastern Economic Corridor which will be located in Chonburi, Rayong and Chachoengsao provinces, the positioning is well-rounded strategic, but the problem is we cannot produce new graduates to keep up with this project.

In terms of investment wise, Thailand cannot catch up with Vietnam since they have lower wages. Another factor is skilled labor and in this regard it is vocational college in which Princess Maha Chakri Sirindhorn realized that Thailand lacks skilled labor and thus she initiates Chitralada Vocational School with free of charge. Thailand even lack unskilled labor therefore we need to rely on migrant workers from Myanmar, Cambodia and Lao. All these factors are important. However, well-being has more factors but I think for now the three key factors are clear.

Let's look at other perspective. For instance, the Philippines, their citizens have to find work outside the country to make money and send it back to their families. In a sense, it is necessary but this is not well-being when living separately from family. Again, it is necessary when considering economic hardship and its impact on society and other areas. I once watched a documentary entitled 'Street Children' which depicted the street children living in Manila; they have no parents and must raise themselves. What do you think when we hear about drugs are everywhere? In this regard, President Rodrigo Duterte must use war on drugs policy via iron fist scheme.

Right or wrong, if we look the EU, they do not have death penalty according to the EU's law. Developed countries like USA and Japan they have and China as well. Sometime when we wish to measure well-being in terms of human rights, is it really universal? If we lived in a society where they had absolute command like the Soviet Union era and the gap between the rich and the poor was not so wide as the present, clearly the three key factors were very important. However, when looking at employment in a wider perspective, meaning that in an overall economy sense while considering China's OBOR (One Belt, One Road), it is impossible for China's growth to reach the double digit like in the past. This year they reach 6.5, last year was

7.5. *The economic growth must be at least 6 or 7. If not, it will pull the economy back and employers cannot hire anyone at a hundred percent rate.*

The economy must grow; as a result employment will be there. Currently, China's system functions well, it can be said that there is no unemployed. This is another type of system. If we look at another extreme example, Singapore has no unemployment since they employ Chinese for unskilled labor, take Changi Airport for instance. I look at it as a national phenomenon since people want money. According to the 3 D's type of job (dirty, difficult and dangerous), local people tend not to do it. When they have money, they hire people from outside. Or else we can look at New Zealand, which is an ideal and peaceful society. But if we look at Australia, they have been criticized harshly since they introduced a policy pushing refugees to stay in the detention centers in New Guinea and now they are closing. This is very difficult to say as the practice is inhumane just like President Donald Trump wishes to build a wall. This means that those who are from Mexico would be left unalive in the desert. For the EU, immigration issue is a headache. Can you remember when Hungary and Czech Republic denied taking immigrants or refugees in which the EU establishes the rules and numbers of asylum arrangements for its Member States? These two countries do not want to take Muslim, saying that they do not have mosques in the countries.

As I said many things reflect how the EU came so far since the first six founding member countries, even Ukraine wishes to join the EU. This means the EU is an ideal and well-being that everybody desires. But now it is in negotiation stage and they also have Catalan issue in which they want to leave Spain. What is more, Scotland would not want to leave the EU if England really leaves the EU and thus Scotland may want to leave the UK. Then Scotland wishes to negotiate with the EU to join the bloc, this is also possible.

This can be like the Three Kingdoms story which says when states unified, then they split and then they repeat the same cycle. This is considered natural. China is a good example. By that, China has to unify many states to make one unified country. Consider time zone, China actually

must have two to three time zones but they are able to use the same time zone. If we observe, China very much prefers using centralization, they have separation anxiety like in the case of Soviet Union, in particular Xinjiang and Tibet. As a result, they are very sensitive. However, the EU is not unitary state like in the past. Any Member States that wish to leave the EU will not feel like China since they used to be a separate country.

With regard to England, how much they have taken from colonies, as a result education is a kind of commodity. Employment factor is related to economy conditions. If the economy is healthy, people can create work. For instance, China has OBOR policy because they want to have full employment. Steel can be used to build constructions in many countries. Money from AIIB can be distributed and provided for loaning so that they will not face non-performing loan (NPL). The EU is getting closed to be political integration as it has been economic integration since 1992.

Concerning the implementation of well-being, it is difficult to measure within a scale of 1-10 or 1-100. There is no reliable standard still. From my perspective, I look at free from fear and free from want factors. IUU is a good economic measure in which the EU uses to force Thailand to improve otherwise they will not buy fish from Thailand. Looking at it from a positive side, it helps stimulate Thailand to improve its standard; even laborer from Myanmar must be treated well. For instance, they can stop on shore for a certain period of time; the EU has this entire rule. Actually, the relations between ASEAN and the EU is quite lopsided, which is unavoidable, and the EU was the colonizer, up until present it seems like they pay their debts.

Concerning well-being indicators, we may use Bhutan's Gross National Happiness (GNH) since they measure people's happiness, not in terms of money. Each Member States of the EU has a different stance since there is no common position. Neither has ASEAN in terms of common position. In fact, I think the system like Erasmus Mundus is good. One country send their students from one university to study in another university, this is a fine cooperation.

Actually, the immediate threat to the EU is northern Europe, Syria and Iraq since the matter is overwhelming; particularly to the front states like Greece and Hungary in which they even build a wall. This means that the EU has no consistent policy. In fact, common border is a matter of survival.

Apart from the three key factors which are education, health and employment, economy is also indispensable. For instance, Greece and Portugal are in a bad situation since they cannot keep up with the EU's standard; also debt per GDP is over the limit. Simply put, if a new state wishes to join the EU, they cannot and would be kicked out. Since Greece and Portugal are already in the EU, they can still stay even though they cannot implement according to the EU's rule, they are in crisis and this is a clear example.

If the EU implements with the Rome group, there must be components of trade and development policy. Can you remember the EU has particular policy toward ACP countries? In this regard, it makes sense since these countries are in the middle position between Greece and the EU. In the future, the EU must take these countries in to make the same region.

We can now see that Donald Tusk just finished negotiating with Theresa May. In fact, the EU does not have one unified voice; in the future the EU should have only one EU Ambassador, no need to have French, German or Italian ambassadors. In the past, there was an effort of France and Germany in which they would like to have a joint office. For instance, in Mongolia, Ulaanbaatar, they worked for 6 months, the rest six months were too cold so they could not work. This is not correct according to the constitution. They also used to think while French ambassador was there then he/she could represent Germany. In the end, it was not possible since it was against the Westphalian principle. For ASEAN, let's say any country has an Indonesian embassy and supposedly there is a Thai person having a problem, he/she can go in the Indonesian embassy asking for assistance. This is ASEAN's pooling resource principle. The same like the EU in which they have the principle of subsidiarity where Member States can function better than

the EU, then states should continue doing that. This principle should be mentioned and it is practical.

With regard to well-being, for instance the poor who live in slumps in the Philippines have higher level of happiness than slump dwellers in other countries. Sometime, relying only on economic indicators cannot be the main yardstick. This matter seems like being and living there they can help one another. It is a kind of happiness although they are poor. In this regard, it can also be said that back in 1997 when the Tom Yum Kung financial crisis hit this part of the world and many companies were bankrupt, many Thais went back home since they still had rice and vegetables to eat. As long as they did not import, they could live without trouble. Using this context, it cannot be used with Singapore since they do not grow rice, no extended family like Thai extended family. In this regard, it can be considered a part of happiness.

Analysis

<div> Theories Key informant </div>	Game theory	Normative Power Europe	Development Policy of the European Union	Well-being for Flourishing society	The World after GDP
Dr.Naruemit Hinshiranan, Chief Advisor, Greater Maekong Sub-region Trade Investment and	<i>"In terms of trade, the EU definitely wishes to receive maximum benefits. In</i>	<i>"...many things reflect how the EU came so far since the first six founding member</i>	<i>"...the EU's policy towards ASEAN has been indispensable and appropriate."</i>	<i>"The EU is an ideal and well-being that everybody looks up to."</i>	<i>"We may use Bhutan's Gross National Happiness (GNH) since they measure people's</i>

Culture Center, Chiang Mai University, Thailand	<i>fact, there are many advantages of trade and development policy of the EU which would stimulate changes and help develop standards for us to meet or at least getting closed to the EU's standard."</i>	<i>countries, even Ukraine wishes to join the EU. This means the EU is an ideal and well-being that everybody desires."</i>			<i>happiness, not in terms of money."</i>
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3.3.2 Ms.Chaidarun Tippawan, EU External Expert on Higher Education and Research, EU Delegation to Thailand

With regard to education, England sees it as a commodity not a matter of service. For well-being, if we look at frameworks of cooperation, it is better to work through channels that the two regions can collaborate. From my experience, I think that the EU and ASEAN at policy level have not much focused on people-to-people level, what is more evident for people to people level is through ASEM framework. In this regard, ASEM helps enhance capacity building program.

ASEM is based in Singapore; key issues of cooperation are not much involved trade and political issues. According to ASEM, ASEAN and the EU have opportunities to cooperate although trade and investment issues are not directly addressed, in the end it helps boost up RCEP. In fact, financial contribution to the work of ASEM came from the EU and ASEAN, majority of funding contributed by the EU, the work of ASEM is focused on running projects and awareness building in addition to organizing workshops.

I was invited to be a guest panelist once. With regard to ministerial meeting under ASEM framework, the procedure is that they rotate the role of chairmanship. What I can see which is of potentiality is that this is the only forum for people to people dialogue where trade and economic issues have not much been brought into discussions. Of course there are issues related to trade and economy arising; however human rights issue has not been brushed aside. As a result, both regions can commit through a joint project. For instance, research publication, various platforms related to higher education. It is worth noting that ASEAN imitated Erasmus Mundus model and call it ASEAN International Mobility for Students or AIMS. It is an education arm under ASEAN in which ASEAN delegates SEAMEO RIHED to manage the programme. This will introduce the student exchange. Another frame of work is ACTS, which follows the European Credit Transfer System model. It is obvious that ASEAN imitates the EU in terms of education. As I had a chance to join an ASEAN meeting in Manila months ago, it is clear to me that ASEAN is trying to make things happen more concretely. Personally, I think trade, economy and development have been considerably developed much more than other areas. They then turn their concentration to education and culture more than before in which ASEAN is trying to create a cultural city like the EU. For example, ASEAN started to plan which city should be promoted to be a cultural city. This is soft diplomacy. I think it works faster thereby it can create feasibility for both regions. People from the EU side also understand us more and realize what ASEAN is, not just Singapore and Thailand.

Concerning Schengen, this is another case which involves travelling and it is regarded as mobility and the EU sees migration as security issue. This is a pre-agreement that each of Member States must take care of security issue on one's own, there is no common security. Once it turns to cross bordering and migration, they then disintegrate. Eventually it became a political issue for domestic campaign among politicians. Schengen also fragments.

Overall, if the issue is about education promotion then both regions should focus on well-being but I think it may be difficult. Each year, the EU has a clear policy toward other countries. For instance, for the year 2017-2020, the EU has policy towards Serbia and Western Balkan region, which are not Member States but the EU considers they are neighbors. During this period, all resources and priorities are provided to Serbia, Albania and Macedonia.

Concerning the Brexit, it affects other areas. According to that, we have witnessed diplomats from the EU now reply with hesitation on various forums. In this regard, they tend to use the term 'we don't know yet' as compared to what we do not usually hear diplomats saying like this but now we do.

With regard to well-being, it depends on cultural contexts as well. Defining well-being is another concern. To be exact, the word 'well' is rather vague. From the EU perspective, well-being can be one story. To Asians, they may feel that having rice, having a house, having dignity can be a part of happiness whilst Europeans must include independence.

It really depends on the context of well-being. At least economic perspective of Southeast Asian countries and the EU concerning well-being is not the same. So, we must consider cultural context. Europeans in many EU countries may say that there must be democracy. Americans may say having a gun can help them having happiness, if there is no gun, then there is no well-being.

Overall, development of ASEAN is quite progressive, but not sufficient. Each of ASEAN Member States wishes to cooperate but they end up resolving domestic problems in their own country. During the past two to three years, each ASEAN Member States faces a number of problems

internally. As a consequence, it is very difficult to cooperate. Movement at policy level has somewhat been witnessed but at implementation level has faced difficulties. I think recognition and awareness among ASEAN citizens is also insufficient.

Analysis

<div> <div>Theories</div> <div>Key informant</div> </div>	Game theory	Normative Power Europe	Development Policy of the European Union	Well-being for Flourishing society	The World after GDP
Ms.Chaidarun Tippawan, EU External Expert on Higher Education and Research, EU Delegation to Thailand	<i>“For instance, for the year 2017-2020, the EU has policy towards Serbia and Western Balkan region, which are not Member States but the EU considers they are neighbors. During this period, all</i>	<i>“It is obvious that ASEAN imitates the EU in terms of education.”</i>	<i>“...I think trade, economy and development have been considerably developed much more than other areas. They then turn their concentration to education and culture more than before in which ASEAN is trying to create</i>	<i>“It really depends on the context of well-being. At least economic perspective of Southeast Asian countries and the EU concerning well-being is not the same. So, we must consider</i>	<i>“...people to people dialogue where trade and economic issues have not much been brought into discussions. Of course there are issues related to trade and economy arising however</i>

	<i>resources and priorities are provided to Serbia, Albania and Macedonia.”</i>		<i>a cultural city like the EU. For example, ASEAN started to plan which city should be promoted to be a cultural city. This is soft diplomacy. I think it works faster thereby it can create feasibility for both regions.”</i>	<i>cultural context.”</i>	<i>human rights issue has not been brushed aside.”</i>
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Summary

It is clear that well-being is recognized globally, internationally, regionally and nationally. Nonetheless, to what extent that the issue is implemented depending on social and cultural contexts. The EU as a global actor exports its values/norms via different channels, including trade and development policy conduct vis-à-vis partners around the world. Based on the discussions with key informants, the EU respects decision making and priority setting pursued and requested by any government when interacting with the EU. In other words, concerns from various origins is upheld and taken into account in response to the real needs of each partner.

Some key informants have reiterated that well-being is necessary and important when planning and executing projects/programs at both national and international levels whilst some express that the EU has already promoted and practices well-being, the EU also underlines well-being in everything, so during the negotiation process it is not necessary to bring well-being as the issue of concern on the table.

In general and traditionally speaking, well-being is seen as a domestic issue and a state's responsibility to provide basic services related to well-being to its citizens. The implementation of well-being is also on its rise. Paradoxically, states still focus on economic growth whilst they announce that they would like their citizens to live happily. In this regard, one can see that well-being and economy are able to work hand in hand strategically and collaboratively.

Considering conceptual tools for analysis, all theories and approaches can indicate and reflect the expressions and statements voiced by key informants. Interestingly, well-being is a common knowledge although some think it is still a vague terminology. There are efforts at various levels to come up with new measures and relevant indicators to explain well-being in different contexts.

In terms of trade and development, although either trade policy or development policy can be independent variable when one party pursuing relation with its partner, well-being can be in a strategic position to play a key role in fulfilling the aims of the trade and development policy.

Key informants agree with the three key factors, which can contribute to the implementation and measurement of well-being. However, there are more indicators under well-being which can be used such as GNH of Bhutan and other factors in the UN's SDGs. As mentioned in Appendix I, an alternative approach like the Philosophy of Sufficiency Economy can also be used to be a model for development, in particular for developing countries.

As one can see from what key informants discuss about well-being and relevant situations, we cannot deny the fact that well-being is the end goal of life and in particular for trade and development policy even though contexts and the extent to implementations are varied. Europeans have different perspectives and factors when discussing about well-being. Asian and ASEAN people differ in a sense that their way of life is considerably coincided with moderation and well-being. This kind of belief may come from the influence of Buddhism where the middle path way of life is a means to spending one's life conscientiously. In addition, ASEAN Member States and its region are very diverse and have over 600 million populations. There are other beliefs like Islam, Hinduism, Sikh, Christianity, among others within ASEAN region. In this regard, social and cultural contexts can be added and used as one of dependent variable to further investigate the issue of well-being.

In accordance with the results from five key theories after analyzing key informants' perspectives, old paradigm of thinking versus holistic thinking co-exists. This encourages all of us to think and act more purposefully and holistically and in line with integrity while paying attention to the continuation of works around well-being at many levels, in particular at inter-regional level that should be able to draw attention from the general public in creating more tangible evidence.

In a nutshell, well-being is recognized globally, internationally, regionally and nationally while implementation through policy and projects/programmes must be adjusted in accordance with social and cultural contexts. In terms of collaboration, the EU and ASEAN can cooperate and collaborate via different means, in particular providing more of people to people dialogue as ASEAN already functions three pillars of ASEAN. These are ASEAN Political and Security Community, ASEAN Socio-Cultural Community and ASEAN Economic Community in which the EU has already acknowledged and worked through these channels. ASEAN works well via soft diplomacy and soft power and the EU is efficient in agenda setting, technical assistance and knowledge sharing, to name but a few. In this regard, it can be summarized that well-being can be the end goal and means, and thus it helps create sustainable development and positive impacts on economy, society and human resources in addition to enhancing the inter-regional relations between the two regional blocs.

APPENDIX IV

POLICY OPTIONS

1. Concept of well-being and its implementation co-exists and can be enhanced at practical level

To realize the nature of well-being in terms of its concept and definition, up until present there are still challenges in defining well-being. There are a number of researches in well-being; mainly they are in the fields of Psychology, Health Science, Social Science, even historical approach to the study of happiness/ flourishing/ well-being that can be dated back to Aristotle's Eudemian ethics.

A practical understanding of well-being in a modern context is to pondering along the line of balancing Resources, i.e. Psychological, Social and Physical factors vis-à-vis Challenges, namely Psychological, Social and Physical factors⁶¹², as figure appears below.



Definition of well-being

Source: Rachel Dodge et al. The challenge of defining wellbeing. International Journal of Well-being. 2012.

⁶¹² Rachel Dodge, Annette P. Daly, Jan Huyton and Lalage D. Sanders. The challenge of defining wellbeing. International Journal of Well-being. 2012. Page 230. Retrieved from <http://www.internationaljournalofwellbeing.org/index.php/ijow/article/view/89/238>. Accessed on 13 January 2018.

When considering inter-regional relations, scope and context thus reflect greater needs and factors than that of individual well-being.

2. The EU's Treaty of Lisbon and ASEAN Charter complement each other via Trade and Development Policy in relation to well-being

The EU's Treaty of Lisbon clearly defines the external policy areas, thus it establishes them with equal standing, these areas are Foreign Affairs, Defense and Security, Development, External Trade, Humanitarian Assistance, and Fisheries. In this thesis, the focus is concentrated on Trade and Development Policy.

In terms of Development policy, in Article 208 of the Lisbon Treaty, the EU's Development Policy is defined as "a distinct external policy area for which the principal objective is the eradication of poverty. The overall purpose of the EU's Development Policy is to promote the sustainable and equitable development of developing countries, in which the achievement of the Millennium Development Goals is a key part. As such the Treaty established the EU's Development Policy as the principal framework for the EU's cooperation with developing countries."⁶¹³

It is also worth mentioning the EU Trade policy in addition to its Investment plan in which the EU seeks to "1. Create a global system for fair and open trade, 2. Open up markets with key partner countries, 3. Make sure everyone plays by the rules and 4. Ensure trade is a force for sustainable development."⁶¹⁴

⁶¹³ Euro Step. European External Relations under the Lisbon Treaty. Retrieved from <http://www.eurostep.org/wcm/dmdocuments/Briefings/BP_50_EU_external_relations_after_lisbon_rev.pdf>. Page 1. Accessed on 15 January 2018.

⁶¹⁴ The EU Trade policy. Retrieved from <<http://ec.europa.eu/trade/policy/>>. Accessed on 15 January 2018.

One can see that Trade and Development policy of the EU complement each other and their forces lead to setting the new trade strategy, which is focused on “making sure as many people as possible have access to the benefits of trade. These target groups are Consumers, Workers, Citizens, Small and medium-sized enterprises and People in developing countries.”⁶¹⁵

To elaborate, there are four points of ensured benefits given to the last target group, namely People in developing countries group. These are as follows:

- *As the world's largest importer, the EU's deep and open market is already a vital source of income to people in developing countries. The new strategy confirms this basic pro-development stance.*
- *It also expands our action to support sustainable development. The EU has been the strongest proponent of ambitiously integrating sustainable development into trade policy in the UN's 2030 agenda and we will keep promoting this ambition worldwide.*
- *It will also give more prominence to human rights concerns in trade work. We will begin intensified dialogue with the developing countries where EU trade has most influence to fight against human rights breaches, in particular those benefitting from the Generalized Scheme of Preferences (GSP).*
- *The Commission's new efforts to support fair and ethical trade schemes and ensure responsible management of supply chains will help improve develop more sustainable trade opportunities for small producers and better conditions for workers in poor countries.*⁶¹⁶

⁶¹⁵ Trade for All-New EU Trade and Investment Strategy. Retrieved from
<<http://ec.europa.eu/trade/policy/in-focus/new-trade-strategy/>>. Accessed on 17 January 2018.

⁶¹⁶ Ibid.

3. Innovative approach to well-being responds to Trade and Development policy of the EU and ASEAN

Most ASEAN Member States are generally in developing countries category. In response to the EU's Trade and Development Policy, individual Member States have their own agenda and priorities for development. In addition, ASEAN has regional level agendas for development and trade.

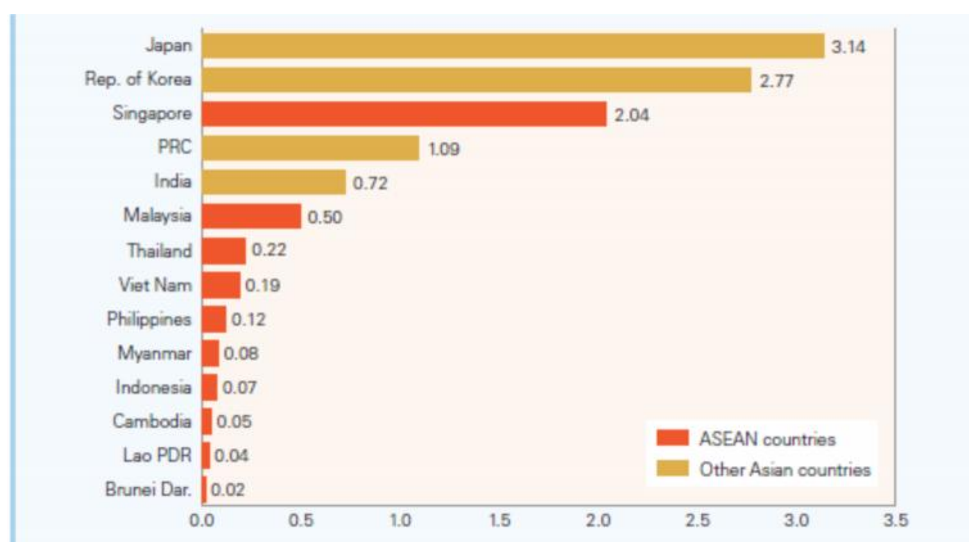
Some factors concerning subjective well-being are such as perceptions of happiness, enjoyment, and achievement, the comparisons of these indicators were made across the five founding members of ASEAN, namely; Indonesia, Malaysia, Philippines, Singapore and Thailand based on data from AsiaBarometer Surveys 2004, 2006 and 2007.⁶¹⁷

Weaving collaborations via different channels based on ASEAN three pillars will enhance the capacity of human resources and institutional performance. Setting joint agenda revolving around the issues of well-being is also critical to strengthen a new approach and paradigm by using trade and development policy as mechanisms to support activities. Poverty alleviation is a part of the EU's aim to help develop other parts of the world; however ASEAN member countries have different fields to address, therefore strategies and agendas must go through bottom-up approach, rather than top-down approach in order to create a greater impact.

⁶¹⁷ Tambayashi Siok Kuan and Tan Soo Jiuan. Subjective Wellbeing in ASEAN: A Cross-Country Study. Japanese Journal of Political Science. Volume 12, Issue 3. December 2011. Page 359-373. Retrieved from <<https://www.cambridge.org/core/journals/japanese-journal-of-political-science/article/subjective-wellbeing-in-asean-a-cross-country-study/554C75EC697D81D364FF320281ECC4FA>>. Accessed on 20 January 2018.

4. ASEAN is as attractive as the EU

Forbes Global 2000 mentioned that in 2006 ASEAN was home to headquarters of 49 companies. Interestingly, by 2013 the number rose to 74. In addition, ASEAN already is home to 227 world's companies with more than 1 billion US dollars in revenues, accounting for 3 percent of the world's total. Of course, Singapore ranks the first in ASEAN with ranking of the fifth position in the world as a hub of corporate-headquarters density and first for foreign subsidiaries.⁶¹⁸



Average Expenditure on Research and Development

(Selected Asian countries' percent share of GDP, 1996-2010 average)

Source: ADB Institute. ASEAN 2030: toward a borderless economic community. 2014.

⁶¹⁸ Vinayak HV, Fraser Thompson, and Oliver Tonby. Understanding ASEAN: Seven things you need to know. Retrieved from <<http://www.mckinsey.com/industries/public-sector/our-insights/understanding-asean-seven-things-you-need-to-know>>. Accessed on 22 January 2018.

Internally, ASEAN is in need of regional policy focusing on promoting competitiveness and innovation. As each member countries of ASEAN holds comparative advantage in different fields, a design of regional projects/programs complementing and leveraging specific national policies and regional policies are of crucial step forward. For instance, making use of ASEAN ICT 2015 Master Plan and the Master Plan on ASEAN Connectivity will enhance competitiveness, technology and innovation. Since ASEAN member countries have strong interest and recognize the importance of technology and innovation in which they have specific policy towards the acceleration of ICT and innovation, the EU could join hand with ASEAN to strengthen this area. As a result, the positive spill-over effect will have a potential impact on other factors.⁶¹⁹

In terms of research and development or R&D, the EU and ASEAN can collaborate in different areas such as biotechnology, nanotechnology, green technology, among others. This is to increase emerging market niches in relation to MSMEs or SMEs for a competitive regional value chain, production, logistics and distribution network. Simultaneously, the promotion of entrepreneurial incubation can help regional strategy and policy to be more tangible and successful.⁶²⁰

5. Well-being can be a flagship for the EU and ASEAN collaboration

According to the purposes of ASEAN Charter's Article 11, ASEAN is "to enhance the well-being and livelihood of the peoples of ASEAN by providing them with equitable access to opportunities for human development, social welfare and justice."⁶²¹

⁶¹⁹ ADB Institute. ASEAN 2030: toward a borderless economic community. Retrieved from

<<https://www.adb.org/sites/default/files/publication/159312/adbi-asean-2030-borderless-economic-community.pdf>>. Page 237. Accessed on 23 January 2018.

⁶²⁰ Ibid. Page 238.

⁶²¹ ASEAN Charter. Retrieved from <<http://asean.org/wp-content/uploads/images/archive/publications/ASEAN-Charter.pdf>>. Page 5. Accessed on 23 January 2018.

Whereas the EU's Treaty of Lisbon, Article 3 emphasizes the importance of well-being as top priority and goal of Treaty as "The Union's aim is to promote peace, its values and the well-being of its peoples."⁶²²

In this regard, apart from connectivity through various schemes such as Aid for Trade, online community and E-commerce, inter alia, MSMEs and/or SMEs is another option that can potentially contribute to the interaction based on Trade and Development Policy and related policy option for both blocs.

It is important to reiterate that regional architecture is in need of strong policy and strategy as well as direction otherwise member countries of ASEAN will not synergize and co-create for a real goal of life in relation to regional aim as mentioned in ASEAN Charter. It is understandable that fulfilling quality of life in developing countries is placed second to the building of economic wealth since varying degree of development gaps still exist. However, the governments of ASEAN Member States and ASEAN Secretariat must be prepared to realign regional focus and create a strategic balance.

⁶²² Treaty of Lisbon. Retrieved from <<http://www.lisbon-treaty.org/wcm/the-lisbon-treaty/treaty-on-european-union-and-comments/title-1-common-provisions/4-article-3.html>>. Accessed on 23 January 2018.

Summary of Policy Options

Region	Policy Options				
	One	Two	Three	Four	Five
	Concept of well-being and its implementation co-exist and can be enhanced at practical level	The EU's Treaty of Lisbon and ASEAN Charter complement each other via Trade and Development Policy in relation to well-being	Innovative approach to well-being responds to Trade and Development policy of the EU and ASEAN	ASEAN is as attractive as the EU (Leading in global and regional roles)	Well-being can be a flagship for the EU and ASEAN collaboration
The EU					
ASEAN					

From this table of Policy options, one can see that well-being in the inter-regional relations context implies the extension of objective well-being. In this regard, objective well-being deals with external factors of development as well as economic development aimed at improving living conditions.

On top of this, at regional level, ASEAN should have a clearer regional policy. ASEAN's regional policies can help promote equality and inclusive growth, which aims at alleviating poverty, narrowing development gaps within and across countries. As a result, it can create development opportunities for ASEAN's citizens. Concerning CLMV, they need to strengthen their macroeconomic policy frameworks to create more stability and encourage investment. Consistent policies and standards can also multiply the impact of national efforts by encouraging cross-border investment and trade.⁶²³

By using this table, both the EU and ASEAN are in a position to select which policy and feasible strategy to collaborate in contribution to well-being in many areas and factors as evidence and analysis shown in this thesis presenting the mutual benefits and interests in many ways when pursuing inter-regional relations through well-being context and objectives.

⁶²³ ADB Institute. ASEAN 2030: Toward a Borderless Economic Community. Asian Development Bank Institute. 2014. Page 228.